

Company registration number: 1080984

Charity registration number: 525489

F H S TRUST LIMITED

**(A Company Limited by Guarantee
and not having a share capital)**

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**



F H S TRUST LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2022

CONTENTS

	Page
Reference and Administrative details	1
Trustees' Annual report	2-8
Independent Auditor's report	9-12
Statement of financial activities (incorporating the income and expenditure account)	13
Balance Sheet	14 & 15
Cash Flow Statement	16
Notes to the Cash Flow Statement	17
Notes to the financial statements	18-31

F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name: F H S Trust Limited

Charity registration number: 525489

Company registration number: 1080984 (England and Wales)

Principal address: 36 St James Crescent
Swansea
SA1 6DR

Registered office: 36 St James Crescent
Swansea
SA1 6DR

Trustees

The trustees who served the charity during the period were as follows:-

Mr G M Astley
Mrs B H Hughes
Mr D A Rowe
Mr P H Patel

Company Secretary: Mr G M Astley

Auditors: Gordon Down and Partners
144 Walter Road
Swansea
SA1 5RW

Principal Bankers: Barclays Bank Ltd
1-6 Pocketts Wharf
Maritime Quarter
Swansea,
SA1 3XL

Solicitors: Smith Llewellyn Partnership
18 Princess Way
City Centre
Swansea,
SA1 3LW

F H S TRUST LIMITED

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 AUGUST 2022

The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 August 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities (FRS102)" in preparing the annual report and financial statements of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

FHS Trust Limited is a charitable company limited by guarantee incorporated on 9 November 1972 and registered as a charity on 28 March 1973. The company is established under a Memorandum of Association which sets out the objectives and powers of the charitable company and is governed under its Articles of Association. (These memorandum and articles were amended in 2007 and by Special Resolution in 2004.) In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purposes of charity law. Potential trustees are invited to apply by the existing board members and no person may be admitted unless he or she, is first approved by the board. There is no requirement for the trustees to retire by rotation.

New trustees attend familiarisation meetings with existing trustees and the head teacher. They are provided with copies of school policies and every trustee is encouraged to attend inset training events.

As the work of the charity involves the education of children, trustees are required to undergo a Disclosure and Barring Services check.

Remuneration of key management personnel

The salaries for key management personnel are the responsibility of the finance committee and they are considered using the pay scales in mainstream education as a benchmark. The Chair of trustees undertakes an annual review with key management.

Decision making

The day-to-day management of the school is the responsibility of the headteacher and her senior management team. This is carried out under the delegation of powers from the trustees. The details of the delegation are outlined in a document which explains the areas of accountability of the senior management team.

Decisions regarding the strategic management of the school or significant matters affecting the school's operation are made by the trustees, with input from the senior management team.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Organisational Structure

Trustees are appointed on the basis of various skills which they possess in order to maintain the running of the charity, with such skills ranging from educational to legal and professional.

OBJECTIVES AND ACTIVITIES

The company's objects and principal activities are to promote and provide for the enhancement of education for children between the ages of 11 to 18 within Swansea and the surrounding area.

ACHIEVEMENTS AND PERFORMANCE

Excellent education

Despite being a non-selective school, Ffynone House School continued its record of achieving superb results at GCSE, AS and A level. Sixth form pupils went on to study a wide range of University courses, including in the most competitive subjects, at top Russell Group universities.

Ffynone House School prides itself on being able to offer a wide range of GCSE and A-Level subjects. At GCSE, pupils can study four optional subjects as well as taking all three science subjects, enabling pupils to retain a broad curriculum, tailored to their strengths and interests. Sixth Form pupils can take up to 4 A levels of their choice as well as being encouraged to complete the Extended Project qualification ("EPQ"). EPQ carries the same UCAS points as an AS subject, but gives each pupil the freedom to research and present upon a topic of their choosing which often assists in university interviews for competitive subjects like Medicine.

Ffynone is one of only a handful of schools in England and Wales at which pupils can learn French and German taught by native speakers, and Latin, all to A level standard. This passion for languages is reflected in the number of Ffynone pupils that were recognised as 2022 Welsh Region champions in the Anthea Bell Prize for Young Translators (run by Queen's College and St Hugh's College Oxford).

Ffynone's thriving science and maths departments continued to enjoy success in the national inter-school Top of the Bench Chemistry competition and national UKMT Maths Challenge, with numerous pupils winning awards, and some qualifying for the elite "Senior Kangaroo" event which helps pupils qualify for the British Mathematical Olympiad.

The school is extremely proud of its Music, Arts and Performing Arts departments. Ffynone's successful orchestra, includes pupils with a wide range of abilities, from those that play in external orchestras including the National Children's Orchestra of Great Britain to those that are just starting to learn an instrument. In 2022 many pupils enjoyed individual success in national art competitions and musicians were able to work towards and perform in live concerts. Over half of the school's pupils joined Ffynone's popular musical theatre company to perform "The Show Must Go On ! extract from musical productions.

Ffynone House School has invested in Office 365 accounts for all pupils and staff and Teams has become a valuable resource for pupils and classes to work together. If a pupil is not able to attend school physically, they are always able to join live lessons through Teams as staff are adept at blended learning (teaching the same lesson live to a pupil online at the same time as teaching those in the classroom). Keen to embrace pupils' new Office 365 skills, in 2021-22 Ffynone House School purchased numerous Promethean interactive screens which can connect to the school's suite of

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

touch-screen laptops. The new screens enable pupils to work collaboratively on electronic documents during lessons enhancing their learning.

Enrichment

Recognising that lockdown deprived children of valuable sporting and team building activities, in Summer 2021 the school introduced "TOC" (Time Off Curriculum) in the middle of the school day. This enables pupils to try new pursuits. It helps students regain their confidence in social settings, hone their team building skills and have lots of fun! TOC activities included eco-warriors, student reporters, junior law society, musical theatre, coding and tech clubs, as well as orchestras, musical ensembles, choirs and sporting teams.

Charitable activities

Trustees and management firmly believe that engagement with others and charitable activities are beneficial for all. This year pupil-led fundraising has supported Matt's Café, a local charity that supports people who cannot afford food, Swansea Asylum Seekers, a local charity that provides meals for local refugees, Macmillan Cancer Support and Swansea's Mr X Appeal, to provide Christmas presents to children who would otherwise go without. As a charitable trust we continue to help fund able students to attend Ffynone House School.

F H S TRUST LIMITED

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Growth

Ffynone House School continues to go from strength to strength, with waiting lists for Year 7 for September 2023 and for September 2022. The number of enquiries and deposits for September 2023 and September 2024 indicate the school is likely to have waiting lists in future years too. The school continues to successfully attract students from a wide cross section of primary schools throughout the region.

The number of students is consistent with class sizes of 15-23 students. Small class sizes give students an excellent learning experience yet retain the family environment on which the school was founded.

Teaching and learning

In keeping with other independent schools in Wales, Ffynone has chosen to follow English specifications rather than Welsh. We believe these curricula better prepare our students for the next stage of their education and facilitate greater mobility of students between England and Wales.

Transport

The school has two vehicles for home-school transport. At present the school can offer transport across Gower, from the north of Swansea, and from the SA1 marina area.

IT investment

In Autumn 2021/Spring 2022, there was substantial investment in technology, including a number of new Promethean interactive screens and software to enable collaborative work on electronic documents in all subjects.

Facilities

The school has continued to invest in new projects to enhance pupils' learning experience. During the year, Ffynone has completely refurbished the music room to create a large versatile space for lessons and musical ensembles, as well as creating a new room (behind the stage) to support musical productions. The school has also invested in additional musical instruments. As the outdoor classroom/terrace is proving to be very popular, this area has been further extended.

As part of the school's rolling program of improvement, the school has continued to replace windows on the upper floors and redecorate internal areas throughout the school.

Financial Review

The financial statements show net resources expended for the year of £37,140 compared to net resources expended of £22,513 in 2021. The decline was as a result of an increase in depreciation charges. The principal source of income is school fees accounting for 78% (2021: 72%) of the school's income. The trustees are continuing their strategy of deploying all resources to invest in the educational purposes and fabric of the school. The charity's activities are funded by an overdraft facility and the charity is dependent on the ongoing support of its bank for the renewal of this facility.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

Reserves policy

Following the change in the business activity in 2012, the trustees agreed to use the reserves generated to fund future school activities. Due to deficits between 2013 and 2021 and the deficit in the current year this has meant that the unrestricted reserves (including revaluation reserves) were in surplus by £788,838 at 31 August 2022 (2021: £825,978). This follows the revaluation of properties, which is explained further in the notes to the accounts. The trustees are working towards generating ongoing surpluses to replenish reserves.

The properties owned by the charity have been revalued and revaluation adjustments have been shown in separate reserves (revaluation reserve and fair value reserve).

PLANS FOR THE FUTURE

Ffynone House School regularly conducts surveys on how it can improve the delivery of service to current and potential students. Significant improvements have been made to the school site and this will continue in the future.

In 2022/23 the school plans to invest in a new suite of computers for the Digital Technology room as well as refurbishing the Chemistry laboratory and areas in the main building including the first aid room, locker room and main corridors.

We anticipate further growth in pupil numbers year on year.

PUBLIC BENEFIT

Ffynone House School remains committed to its founding principle to provide bespoke day school education within a small, family style environment, for the benefit of families in Swansea. Trustees continue to believe that being a charitable trust is key to that endeavour.

Trustees have complied with their duty in the Charities Act 2006 to have due regard to the public benefit guidance published by the Commission. To this end, fees are set as low as possible so as to benefit all students, whilst meeting the funding requirements of operating the school.

From Spring Term 2022, term fees were as follows: Years 7 & 8 £4,080, Years 9 £4,150, Years 10 & 11 £4,260, Years 12 & 13 £4,280

Means tested bursaries have been made available to a number of pupils in cases of hardship. The school is a non-selective, equal opportunity organisation, with an inclusive ethos based on equality and mutual respect, irrespective of economic status, gender, ethnicity, race, religion or disability.

The school makes its facilities available to local clubs and organisations at marginal cost. Students also participate in a wide range of activities that benefit the local community, including charitable fundraising.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

TRUSTEES RISK ASSESSMENT

The trustees have examined their major strategic business and operations risks they face and confirm systems are in place to mitigate those risks.

Following the agreement with Cognita that saw the Trustees recommence the running of Ffynone House School from 1 September 2012, the Trustees foresee the major risk to be the maintenance of pupil numbers. An extensive programme of advertising, brand awareness and networking in the local communities has been undertaken in an attempt to raise pupil numbers. The Trustees regularly review the financial position to ensure that any appropriate action is taken when required.

A further risk relates to the maintenance of the premises owned by the Trust. They are regularly reviewed and a programme of regular maintenance is followed in an attempt to minimise the need for large-scale repairs.

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

We, the trustees (directors) of the company, who hold office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 AUGUST 2022

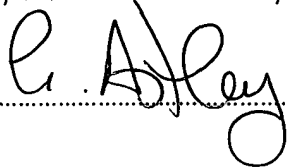
Auditors

Gordon Down and Partners were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Charities SORP (FRS102): Accounting and Reporting by Charities (Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Board on 30th May 2023

Trustee's Signature:



Date:

30-5-2023

Garry Astley, Trustee

Signed on behalf of the Board

Trustee's Signature:



Date:

30-5-2023

Pinakin Patel, Trustee

Signed on behalf of the Board

F H S TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the financial statements of F H S Trust Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2022 (CONTINUED)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2022 (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF F H S TRUST LIMITED

YEAR ENDED 31 AUGUST 2022 (CONTINUED)

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gordon Down & Partners - Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
144 Walter Road
Swansea
SA1 5RW

30 May 2023

F H S TRUST LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 AUGUST 2022

		Unrestricted Funds	Total 2022	Total 2021
	Note	£	£	£
INCOMING RESOURCES				
Incoming resources from charitable activities:				
School fees and associated income	2	1,843,641	1,843,641	1,626,936
Activities for generating funds:				
Investment income	3	15,296	15,296	27,000
TOTAL INCOMING RESOURCES		1,858,937	1,858,937	1,653,936
RESOURCES EXPENDED				
Cost of generating funds:				
Charitable activities	4	1,896,077	1,896,077	1,676,449
TOTAL RESOURCES EXPENDED		1,896,077	1,896,077	1,676,449
Net (losses) on investments	15	-	-	-
NET RESOURCES EXPENDED	6	(37,140)	(37,140)	(22,513)
Other recognized gains/(losses)				
Gains/(losses) on revaluation fixed assets	15	-	-	-
NET MOVEMENT IN FUNDS		(37,140)	(37,140)	(22,513)
RECONCILIATION OF FUNDS				
Total funds brought forward	15	825,978	825,978	848,491
TOTAL FUNDS CARRIED FORWARD		788,838	788,838	825,978

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses had not been prepared.

All of the above amounts relate to continuing activities.

The notes form part of the financial statements.

F H S TRUST LIMITED

BALANCE SHEET

31 AUGUST 2022

		2022	2021
	Note	£	£
FIXED ASSETS:			
Investment property	9	525,000	525,000
Tangible assets	10	1,136,532	1,159,265
		<u>1,661,532</u>	<u>1,684,265</u>
CURRENT ASSETS:			
Debtors	11	826,693	663,840
Cash at bank		2,062	62
		<u>828,755</u>	<u>663,902</u>
CREDITORS: Amounts falling due within one year	12	<u>1,305,196</u>	<u>1,487,891</u>
NET CURRENT (LIABILITIES)		<u>(476,441)</u>	<u>(823,989)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,185,091</u>	<u>860,276</u>
CREDITORS: Amounts falling due after more than one year	13	<u>(396,253)</u>	<u>(34,298)</u>
		<u>788,838</u>	<u>825,978</u>
THE FUNDS OF THE CHARITY:			
Restricted Income funds	15	-	-
Revaluation Reserve	15	879,809	879,809
Fair Value Reserve	15	335,000	335,000
Unrestricted Income funds	15	(425,971)	(388,831)
TOTAL FUNDS		<u>788,838</u>	<u>825,978</u>

For the year ending 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies, but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:-

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

F H S TRUST LIMITED

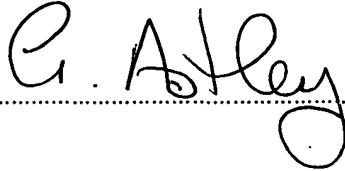
BALANCE SHEET

31 AUGUST 2022 (CONTINUED)

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 30th May 2023 and were signed on its behalf by:-

Trustee's Signature:



Date:

30-5-2023

Garry Astley, Trustee

Signed on behalf of the Board

Trustee's Signature:



Date:

30-5-2023

Pinakin Patel, Trustee

Signed on behalf of the Board

The notes form part of the financial statements

F H S TRUST LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	489,520	58,830
Net cash (used in) operating activities		<u>489,520</u>	<u>58,830</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(44,239)	(49,979)
Net cash (used in) Investing activities		<u>445,281</u>	<u>8,851</u>
Change in cash and cash equivalents in the reporting period		<u>445,281</u>	<u>8,851</u>
Cash and cash equivalents at the beginning of the reporting period		<u>(522,896)</u>	<u>(531,747)</u>
Cash and cash equivalents at the end of the reporting period		<u><u>(77,615)</u></u>	<u><u>(522,896)</u></u>

The notes form part of the financial statements.

F H S TRUST LIMITED

NOTES TO THE CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2022

1. RECONCILIATION OF NET INCOME/(EXPENIDTURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2022	2021
	Notes	£	£
Net (expenditure) for the reporting period (as per the statement of financial activities)		(37,140)	(22,513)
Adjustment for:			
Depreciation charges	11	66,973	58,546
(Increase)/decrease in debtors		(162,852)	(92,421)
Increase/(decrease) in creditors		622,539	115,218
Net cash (used in) operating activities		<u>489,520</u>	<u>58,830</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2016)," Financial Reporting Standard 102 "The Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of freehold property, which is included at fair value.

The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £.

The company is not part of a group and the financial statements cover the individual charity alone.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The School has committed financial support in the form of an overdraft facility from its bank to enable it to continue to operate for the foreseeable future. The financial statements do not include any adjustments that would result from a withdrawal of this financial support.

Objectives and activities

The company's objects and principal activities are to promote and provide for the enhancement of education for children between the ages of 11 to 18 within Swansea and the surrounding area.

Company status

The charity is a private company limited by guarantee. The members of the company are the trustees noted on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income, after any performance conditions have been met and the amount can be measured reasonably and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Other incoming resources are accounted for when earned.

School fees and associated income is recognised in the academic year to which it refers. It is stated after allowances, scholarships and bursaries granted by the school. Any amounts received in advance for education to be provided in future years are carried forward as deferred income.

Investment income and gains are allocated to the appropriate fund.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost/valuation on a straight line basis over their expected useful economic lives as follows:

Freehold land	nil
Freehold buildings	at 2% of cost
Computer equipment	at 15% to 25% of cost
Fixtures and fittings	at 10% to 20% of cost

No depreciation charge is made on freehold buildings in the year in which a revaluation adjustment is made.

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognized in 'net gains/(losses) on investments' in the SOFA.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs

The teaching staff employed by the company are members of the Teachers' Superannuation pension scheme. This is a multi employer defined benefit scheme and the assets of the scheme are administered by the trustees of the scheme and are completely separate from the company.

The pension liability is the responsibility of the Teacher's Pension Scheme. As a result, it is not possible to identify the assets and liabilities of the scheme attributable to the school. Accordingly, under FRS102, the scheme is accounted for as if it were a defined contribution scheme.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Pension costs (continued)

The pension costs charged in the financial statements represent the contributions payable by the school during the period in accordance with FRS102.

In addition, the company operates a defined contribution plan for the benefit of its non-teaching staff. Contributions are expensed as they become payable.

Netting off of income against expenditure

It is not the policy of the charitable company to show incoming resources net of expenditure.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable/payable within one year are recorded at transaction price. Any losses arising from impairment are recognized in expenditure.

Going Concern

The Financial Statements have been prepared on a going concern basis as the trustees believe that this is the correct basis for preparation. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves and the continued support of the Charity's bank, for the charity to be able to continue as a going concern. Further information is given in note 19.

2. SCHOOL FEES AND ASSOCIATED INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
School fees	1,455,259	-	1,455,259	1,188,054
Learning support	129,188	-	129,188	72,254
Lunch income	90,307	-	90,307	54,975
Transport	23,653	-	23,653	10,212
Exam fees	29,589	-	29,589	13,636
Trips	55,717	-	55,717	200
Music and elocution	35,095	-	35,095	36,010
Duke of Edinburgh	-	-	-	-
Other income	15,212	-	15,212	9,666
Year Book adverts	-	-	-	-
Prom	-	-	-	-
Grants	9,621	-	9,621	241,930
	<u>1,843,641</u>	<u>-</u>	<u>1,843,641</u>	<u>1,626,937</u>

The school fees above are stated after discounts, scholarships and bursaries.

F H S TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Rental Income	<u>15,296</u>	<u>-</u>	<u>15,296</u>	<u>27,000</u>

4. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Direct costs of education:				
Cost of lunches	52,970	-	52,970	24,970
Transport	23,964	-	23,964	18,883
Trips	57,827	-	57,827	642
Exam fees	8,026	-	8,026	12,631
Duke of Edinburgh	-	-	-	-
Prom night	-	-	-	-
Sports costs	1,217	-	1,217	6,059
Science equipment and books	14,479	-	14,479	16,776
Photocopying	6,061	-	6,061	5,584
Sports transport	4,090	-	4,090	820
Year Book	-	-	-	-
Bad Debts	-	-	-	12,511
	<u>168,634</u>	<u>-</u>	<u>168,634</u>	<u>98,876</u>
Staff costs:				
Staff salaries	1,146,305	-	1,146,305	1,074,472
Social security costs	105,934	-	105,934	97,836
Staff pension costs	189,423	-	189,423	167,359
Staff training	7,352	-	7,352	949
Peripatetic staff	24,424	-	24,424	28,806
Travel	-	-	-	-
	<u>1,473,438</u>	<u>-</u>	<u>1,473,438</u>	<u>1,369,422</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Support Costs:				
<u>Advancement of education</u>				
Post and stationery	2,446	-	2,446	2,662
Computer costs	18,976	-	18,976	5,782
Advertising	14,498	-	14,498	14,805
Subscriptions	32,842	-	32,842	13,935
Bank charges and interest	26,310	-	26,310	24,948
Depreciation	47,973	-	47,973	43,546
Sundry expenses	2,853	-	2,853	3,172
Legal and professional	2,444	-	2,444	11,880
	<u>148,342</u>	<u>-</u>	<u>148,342</u>	<u>120,730</u>
<u>Premises costs</u>				
Rates	7,313	-	7,313	5,416
Insurance	23,811	-	23,811	24,358
Light and heat	23,583	-	23,583	13,390
Repairs	9,236	-	9,236	11,883
Cleaning	8,696	-	8,696	5,351
Trade waste	4,344	-	4,344	3,623
Depreciation	19,000	-	19,000	15,000
	<u>95,983</u>	<u>-</u>	<u>95,983</u>	<u>79,021</u>
<u>Governance costs</u>	<u>9,680</u>	<u>-</u>	<u>9,680</u>	<u>8,400</u>
Total support costs	254,005	-	254,005	208,151
Total cost of charitable activities	1,896,077	-	1,896,077	1,676,449

5. GOVERNANCE COSTS

	Total Funds 2022	Total Funds 2021
	£	£
Auditors remuneration	7,800	4,800
Other professional fees	1,880	3,600
	<u>9,680</u>	<u>8,400</u>

6. NET OUTGOING RESOURCES FOR THE YEAR

This is stated after charging:-

	2022	2021
	£	£
Depreciation	66,973	58,646
Auditors remuneration:-		
- audit of the financial statements	<u>7,800</u>	<u>4,800</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

7. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,146,305	1,104,227
Social security costs	105,934	97,836
Pension costs	189,423	167,359
	<u>1,441,662</u>	<u>1,369,422</u>
Aggregate employee benefits of key management personnel	64,264	64,264
On which Employer's National Insurance contributions were	<u>7,653</u>	<u>7,653</u>

Key management are the trustees and head teacher.

The school participated in the Teachers' pension Scheme ("the TPS") for its teaching staff. The pension charge for the year included contributions payable to the TPS of £165,660. (2021: £158,259).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2014. Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funded provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report confirmed an employer contribution rate for the TPS of 23.68% from 1 September 2020 (including the scheme administration levy).

During the year the school auto-enrolled its non-teaching staff into the NEST pension scheme which is a defined contribution scheme. The pension charge for the year includes contributions payable to NEST of £7,940 (2021: £9,409).

There was one employee whose emoluments as defined for taxation purposes amounted to over £60,000 for the year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

7. STAFF COSTS (continued)

The average number of employees, analysed by function was:-

	2022	2021
Charitable activities	40	50
Management and administration of the charity	3	3
	<u>43</u>	<u>53</u>

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Incoming resources			
Activities for generating funds:			
Incoming resources from charitable activities:-			
School fees and associated income	1,626,936	-	1,626,936
Investment income	27,000	-	27,000
Total incoming resources	1,653,936	-	1,653,936
Resources expended			
Cost of generating funds:-			
Charitable activities	1,668,409	-	1,668,409
Governance costs	8,400	-	8,400
Total resources expended	1,676,449	-	1,676,449
Net (losses) on investments	(-)	(-)	(-)
Net resources expended	(22,513)	-	(22,513)
Gains/(losses) on revaluation fixed assets	-	-	-
Net movement in funds	(22,513)	-	(22,513)
Reconciliation of funds			
Total funds brought forward	848,491	-	848,491
Total funds carried forward	825,978	-	825,978

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

9. INVESTMENT PROPERTY

£

Valuation

At 1 September 2021

525,000

Revaluation

At 31 August 2022

525,000

The investment property is a property that is let by the charity to a tenant on a long-term lease.

The property was valued on 21 February 2021 by Lambert Smith Hampton on an open market basis.

The effects of the revaluation of the property are shown in the free value reserve (see note 16).

The trustees consider that the valuation, undertaken on 21 February 2021, is a fair reflection of the property value at 31 August 2021.

The property has been pledged as security for liabilities of the charity.

The historic cost of the investment property is £190,000 (2021 - £190,000).

10. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Fixtures & Fittings £	Total £
COST/VALUATION				
At 1 September 2021	1,150,000	65,422	108,760	1,324,182
Additions	-	20,359	23,880	44,239
Revaluation	-	-	-	-
At 31 August 2022	1,150,000	85,781	132,640	1,368,421
DEPRECIATION				
At 1 September 2021	60,000	35,956	68,961	164,917
Charge for year	19,000	21,445	26,528	66,973
Revaluation	-	-	-	-
At 31 August 2022	79,000	57,401	95,489	231,890
NET BOOK VALUE				
At 31 August 2022	1,071,000	28,380	37,151	1,136,531
At 31 August 2021	1,090,000	29,466	39,799	1,159,265

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

10. TANGIBLE FIXED ASSETS (continued)

The freehold property was valued on 21 February 2021 by Lambert Smith Hampton on an open market basis.

The historic cost equivalent of freehold land and buildings included at valuation are as follows:-

	2022	2021
	£	£
Cost	<u>258,111</u>	<u>258,111</u>
Accumulated depreciation	<u>34,865</u>	<u>33,703</u>

The trustees consider that the valuation, undertaken on 21 February 2021, is a fair reflection of the property value at 31 August 2021.

The freehold property has been pledged as security for liabilities of the charity.

11. DEBTORS

	2022	2021
	£	£
Trade debtors	818,801	657,201
Prepayments and accrued income	<u>7,892</u>	<u>6,639</u>
	<u>826,693</u>	<u>663,840</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

12. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	113,526	522,957
Trade creditors	919	11,323
Accruals and deferred income	685,792	641,357
Tax and social security	504,959	312,254
	<u>1,305,196</u>	<u>1,487,891</u>

Deferred income

	Fee Income	Rental Income
	£	£
As at 31 August 2021	622,822	15,750
Additions during the year	51,940	-
Released during the year	-	(15,750)
As at 31 August 2022	<u>674,762</u>	<u>-</u>
Due to be released in less than one year	<u>674,762</u>	<u>-</u>
Due to be released after more than one year	<u>-</u>	<u>-</u>

Income has been deferred for school fees received in advance and will be released in the next accounting period as stated in the incoming resources accounting policy.

Bank loans and overdrafts are secured by a fixed and floating charge over the assets of the charity.

The total secured liabilities at 31 August 2022 were £509,778 (2021: £522,957).

13. CREDITORS: Amounts due after more than one year:-

	2022	2021
	£	£
Accruals and deferred income	47,026	34,298
Bank loan	<u>349,226</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

14. FINANCIAL COMMITMENTS

The company had the following annual operating lease commitments at 31 August 2022:

	Other £
Leases expiring between 2 and 5 years	<u>17,129</u>

The total commitment for such leases at 31 August 2022 was £27,113.

15. MOVEMENT IN FUNDS

Unrestricted funds

	General Reserves	Revaluation Reserve	Fair value reserve	Total
	£	£	£	£
Balance brought forward	(388,831)	879,809	335,000	825,978
(Deficit) for the year	(37,140)	-	(37,140)	(37,140)
Transfer	14,783	(14,783)	-	-
Revaluation adjustment	-	-	-	-
Balance carried forward	<u>(411,188)</u>	<u>865,026</u>	<u>335,000</u>	<u>788,838</u>

Transfer

The transfer between reserves represents the excess of the depreciation on the freehold property, as calculated on the revalued amount over that calculated on the original cost.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

15. MOVEMENT IN FUNDS (continued)

The deficit for the year included in the above is as follows:-

	Incoming Resources	Outgoing Resources	Deficit for this year
	£	£	£
General fund	1,858,937	(1,896,077)	(37,140)
Revaluation reserve	-	-	-
	<u>1,858,937</u>	<u>(1,896,077)</u>	<u>(37,140)</u>

Comparatives for movement in funds:-

	General Reserves	Revaluation Reserve	Fair Value Reserve	Total
	£	£	£	£
Balance brought forward as as restated	(425,442)	738,933	185,000	498,491
Deficit for the year	(22,513)	-	-	(22,513)
Transfer between reserves	-	-	-	-
Revaluation	-	-	-	-
Balance carried forward	<u>(447,955)</u>	<u>738,933</u>	<u>185,000</u>	<u>475,978</u>

	Incoming Resources	Outgoing Resources	Deficit for this year
	£	£	£
General fund	1,653,936	(1,676,449)	(22,513)
Revaluation reserve	-	-	-
	<u>1,653,936</u>	<u>(1,676,449)</u>	<u>(22,513)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 AUGUST 2022

16. TAXATION

As a registered charity Ffynone House School Trust Limited is exempt from tax on income and gains, to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity (2021: Nil).

17. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees received any remuneration or expenses during the year (2021: £Nil).

One of the trustees, Mr P H Patel, paid fees of £17,413 to the company in respect of his children who attended the school (2021 - £25,241).

The fees paid by the trustees are on the same basis as those paid by other parents.

As at 31 August 2022 no fees were owed to the trust by trustees for the year then ended.

WBV Limited, a company in which Mr D A Rowe (trustee and director) is a director and shareholder provided services with a value of £2,402 in the year (2021: £252).

18. COMPANY LIMITED BY GUARANTEE

Ffynone House School Trust Limited is a charitable company, limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceased to be a member.

19. GOING CONCERN

The trustees (directors) are aware that the unrestricted income funds show a deficit balance at 31 August 2022.

The financial performance has been maintained since August 2021 with a slight increase in the deficit for the year, this has been mainly due to the increase in the depreciation charge.

The company is dependent on its bank for their continued support. The Trustees met with the bank in January 2022 following which the bank confirmed their ongoing support in terms of the overdraft facility and have converted £400,000 of the overdraft amount to a structured loan agreement.

20. ULTIMATE CONTROLLING PARTY

No one individual controls the charity.