

REGISTERED COMPANY NUMBER: 02119682
REGISTERED CHARITY NUMBER: 296588

FINTON HOUSE EDUCATIONAL TRUST
ANNUAL REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

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FINTON HOUSE EDUCATIONAL TRUST
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FOR THE YEAR ENDED 31 JULY 2017

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FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

The Governors, who are also directors for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011, present their report with the financial statements of the School for the year ended 31 July 2017. The Governors have adopted the provisions of 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 (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Charitable objects

The School's Objects, as set out in its Memorandum and Articles of Association, are the provision of day schooling for children of both sexes between the ages of 4 and 11. Since its foundation it has been the ethos of the School to actively promote and encourage the inclusion of special needs pupils in mainstream classes of mixed ability.

Mission

Finton House provides an inspiring education, based on the belief that happiness, kindness and confidence are the foundations of success.

Aims

At Finton House:

- Everyone feels safe, happy and valued;
- Boys and girls of all abilities, including the most able and those with special educational needs, are nurtured and challenged to make excellent personal and academic progress;
- The education is broad, embracing technology as well as using the outdoors, allowing children to discover their own strengths and passions;
- Children learn how to lead a healthy life in order to flourish in a rapidly changing world.

Strategy

Developing a culture of responsible, caring and happy people

We will protect and develop the wellbeing of the whole Finton community and its interaction and contribution to the local and global community by:

- Promoting values such as respect, honesty, co-operation, forgiveness and resilience;
- Modelling behaviours that develop good citizens.

Creating a dynamic learning environment

- We will develop our use of the latest technology systems and hardware to enhance teaching and learning;
- We will ensure that our facilities are fit for purpose and of the highest standard;
- We will ensure access to a range of external facilities and, when and where possible, be involved in their development.

Providing a broad, current and inspiring education

We will develop the curriculum with three main objectives:

- To challenge all pupils to ensure maximum personal and academic progress throughout their time at Finton House;
- To provide an exciting, current, relevant and broad curriculum;
- To prepare pupils for their future wellbeing and success in a rapidly changing world.

Ensuring the longevity of Finton House

We will ensure Finton House remains the school of first choice for boys and girls from Reception through to Year 6. As a non-profit making charitable trust, we will constantly reinvest in staffing, facilities and resources as well as carefully control costs to ensure we always represent good value for money.

Objectives

In setting the objectives and in planning the activities, the Governors have sought to reflect the educational aims and the ethos of the School. Careful consideration has been given to the Charity Commission's general guidance on public benefit, in particular on advancing education and on fee charging.

Key objectives for the year included:

To continue to develop and enhance our academic success and performance at all levels.

To continue to integrate special needs pupils in mainstream classes throughout the School and to improve their educational experience.

To continue to develop the first class pastoral care provided for all pupils.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

OBJECTIVES AND ACTIVITIES - continued

Objectives - continued

To continue to encourage pupils from a wider ethnic and social background to join Finton House.

To continue to provide ongoing short-term financial support to pupils through a hardship fee remission programme.

To continue to develop the school's public benefit objectives by increasing the provision of fee assistance through means-tested bursary places, enabling one additional pupil to join the School each year subject to a place being available in the Upper School at up to 100% fee remission, to enable the admission of pupils from the wider community who would otherwise be unable to benefit from the ethos and education offered by the School.

To continue to have access and support the ongoing operation and develop first class local sporting facilities such as Trinity Playing Fields, which in turn will benefit the wider community.

To continue to develop the teaching facilities with modern bespoke facilities such as the new art room completed in 2016 and to ensure the school is replacing and updating the IT infrastructure to remain close to the leading edge of new technology with cross curricular IT resources and devices.

Further develop a Teaching Links programme of co-operation and joint working with local primary maintained schools.

To continue our active participation in the life of our local community through a number of fund raising activities and support programmes.

Ethos and Policies

School ethos: a caring School serving our local community.

Finton House is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. School fees are set at a level to ensure the financial viability of the School and consistent with the aim of providing a first class education to boys and girls. The School is a non-selective entry school and welcomes pupils from all backgrounds on a first-come, first-served basis. Finton House is an equal opportunity organisation.

The School is fully committed to safeguarding and promoting the welfare of our pupils and expects all its staff and volunteers to share this commitment. In the most recent ISI inspection, which took place in February 2016, the report stated that the School's standards were excellent in all areas and the School is highly successful in fulfilling its aims. The School has excellent standards in literacy and in the overall delivery of the curriculum. The School has a very high level of staff commitment offering an excellent level of pastoral care, particularly in personal development, pupil behaviour, links with parents and the whole-hearted inclusion of pupils with special needs with mainstream pupils. The overall leadership and management of the School was reported as excellent. In the Early Year Foundation Stage: the overall effectiveness of the Early Years provision, the leadership and management and the outcomes for children were all reported as being outstanding.

Public Benefit Policy

The School is keen to ensure that the education offered is not restricted to those who can afford fees. The School's belief is that pupils benefit from learning within a diverse community which includes children with special needs. This integration is central to the ethos and philosophy of the School.

The provision of fee assistance through the bursary scheme, combined with the School's special needs programme and 'Teaching Links' programme, helps contribute to a widening of access to the education offered and the facilities enjoyed by our pupils.

The School contributed £66,516 to Trinity Fields Trust (Charity no.1060813) in the year ending 31 July 2017 through an annual rental agreement to use their playing fields as part of the Consortium Schools licence agreement. In addition to providing access to the fields to the Consortium Schools, Trinity Fields Trust, uses income through this licence agreement to enable other young people under the age of 25 in the local Wandsworth and Lambeth communities to use these playing fields.

In the year ending 31 July 2017, the School also supported Trinity Fields in securing a 50 year lease with the fields' owners, Sir Walter St John's Education Trust (Charity no.312960). The School's ongoing support will enable investment in the fields and the provision of sports education to board group of children and young people from across the local community.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES - continued

Bursary Policy

The Governors view Bursary awards as central in helping to ensure that the education offered by Finton House can be accessed by children from families who would otherwise be unable to afford the fees. The awards are means-tested and are made solely on the basis of parental means. When assessing means, all family income, assets and liabilities are reviewed. However, the School is only twenty seven years old and does not have large endowment funds. The School and Governors continue to work to raise the funds necessary to extend the bursary provision.

The means-tested bursary awards currently range from 50% to 100% of remission of fees.

Fee assistance through the bursary programme is available on the school's website and advertised in the School prospectus, the local press and in third party venues such as doctors' surgeries, nurseries, local places of worship, and professional bodies such as the Fire Brigade.

ACHIEVEMENT AND PERFORMANCE

Pupil numbers and fees

The School provides day school education in London SW17 to boys and girls from the ages of 4 to 11.

In 2016/17 the School was at full capacity. The School will commence the academic year in September 2017 at full capacity.

Our fee increase for September 2016 was set at an average of 2% in order to cover our additional operating costs and staff salaries:

Lower School Fees - £4,630 per term (£4,520 in 2015/16)

Upper School Fees - £4,850 per term (£4,775 in 2015/16)

The above fees include all extras other than residential trips in the Upper School, additional 1:1 learning support lessons and 1:1 music lessons.

Academic

In July 2017 all our Year 6 pupils attained places at the senior schools of their choice.

Co - Curricular activities

Music

Approximately one third of our pupils above Year 3 learn a musical instrument. The School has a strong Upper School band and a choir, both of whom perform in concerts within the local community. All Upper School pupils perform in a concert each year.

Drama

All our pupils in Year 5 & 6 have the opportunity to take part in our annual drama production, staged at The Chelsea Theatre and Year 2 perform a play in the Trinity Chapel. All other Year groups perform in plays and concerts within the School.

Sport

All pupils have the opportunity to develop individual and team skills through organised team games, such as football, rugby, cricket, netball, hockey, rounders and individual sports such as swimming, gymnastics, athletics, karate, judo and dance. Finton House qualified this year to take part in the National Schools Swimming Championships held in Sheffield with the medley relay team finishing 7th in the 'A' schools. The school also hosts a number of tournaments across a variety of sports including cross country, football and netball.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

STRATEGIC REPORT

ACHIEVEMENT AND PERFORMANCE - continued

Policy into practice

Details of bursary awards

The launch in 2008 of the School's Bursary programme committed the School to the provision of one fully funded place per annum. The School is a young one and does not benefit from longstanding endowments but the Governors have determined to increase this number over time.

In September 2008, the School admitted the first 100% bursary pupil. In 2016/17, the value of means-tested bursaries were £50,925 with four pupils being awarded bursaries versus £78,787 in 2015/16, financed by operating surpluses and income generated from the Sally Walker Bursary Fund. Additional pupils would have been offered bursary places for entry in both September 2016 and 2017, but the school was heavily oversubscribed operating at full capacity with no spaces available in the Upper School due to a downturn in relocation and better retention of boys.

In addition the School is supporting a bursary at a senior school for a pupil that left Finton House in July 2016 who is in Year 8 in September 2017. The cost of this bursary was £6,918 in 2016/17.

Details of hardship awards

Hardship fee remission has been made available to parents suffering family hardship, such as bereavement or job loss, which prevented them from meeting their fees. Three such hardship awards were made, to a total value of £6,547 versus £10,027 in 2015/16, also financed by operating surpluses.

As part of our emphasis on attracting and retaining high calibre staff, and at the Governors' discretion, the School also offers a fee discount scheme to those staff members who choose to educate their children at the School.

Details of investments performance

The Governors' have selected an investment manager, Cazenove Capital Management Limited, to place the School's long term surplus balances with for all their restricted funds. The return on investments achieved in the year to 31 July 2017 exceeded market expectations.

Special needs department

In accordance with the 2010 Equality Act, the School now operates a fully integrated admissions policy. Children of all abilities are offered places on a first come first serve basis, including those with known special needs. Children with special needs are assessed before a place is confirmed to ensure the School can reasonably meet their needs. These needs have included Down's Syndrome, hearing impairment, Asperger's, speech and language difficulties, and educational developmental delay. Children with special needs are supported by a dedicated Special Educational Needs Co-ordinator, a team of Special Needs Assistants and in-house therapists. In addition, those mainstream children, who, once in the School are found to have learning difficulties, are supported by a Special Educational Needs Co-ordinator and, when appropriate, by specialist support. The School is able to provide one-to-one tuition for children with dyslexia, dyspraxia or speech and language difficulties. The additional cost of such extra staffing support over and above parent and Local Authority contributions, through special needs Educational Healthcare Plans, is substantial and is borne by the School and by the Special Needs Appeal Fund.

Review

The Governors are currently reviewing the bursary programme to ensure that children can accept offers of places at the School through the availability of means-tested fee assistance. It is the Governors' intention to continue to widen access by extending the bursary programme.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

STRATEGIC REPORT

ACHIEVEMENT AND PERFORMANCE - continued

Teaching Links Programme

Our teaching links programme seeks to widen access to our education resources and teaching expertise by bringing together local independent and maintained schools. Examples of these works are as follows:

Bi-annual Special Needs Forum:

The Special Needs department hosts a bi-annual Special Needs Forum to which guest speakers are invited to discuss key topics relating to the education of pupils with special needs in an inclusive environment. The bi-annual forum held in May 2017 focused upon mental health and wellbeing with children and was attended by over 150 guests from a range of local maintained and independent schools. Projects associated with this forum are subsequently run on an ongoing basis.

More Able pupils:

Each year the School participate in a programme of workshops for more able pupils from other local schools. These focus on academic and problem-solving skills across different curriculum subjects. Of these, Finton House has run a Design Technology day and a visit to the National Archive to analyse historical data.

Community Service:

Pupils in Year 6 take part in a number of charitable initiatives in the local community offering support in retirement homes. A number of fund-raising days take place throughout the year raising money for local charities.

Volunteers

Parents help with School fundraising events and provide many hours of voluntary service during the year such as parent reading. The Governors would like to take this opportunity to express their appreciation for the continuing and valuable support of parents.

Operational performance of the School

All aspects of the School's operations have been maintained at an excellent standard. This has been endorsed by the conclusions of the School's official ISI inspection, which took place in February 2016. The broad conclusions of the inspection committee were that the School remains at the forefront of academic development, offering an excellent level of education in all areas, and has fully met all its aims. The report stated that Finton House has exceptional strengths in many important areas including planning and monitoring, cross-curricular links, personal development and pastoral care, pupil behaviour, links with parents and the whole-hearted inclusion of pupils with special needs with mainstream pupils.

The School does not select children on the basis of academic assessment but according to a first come, first served registration process. The academic success of the School is notable, with every pupil leaving Finton House in 2017 gaining a place in the school of their choice.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

FINANCIAL REVIEW

Investment policy and objectives

The School has full powers of investment over its surplus funds and the funds of the Special Needs Appeal and Sally Walker Bursary funds. Short term surplus cash balances are placed on Treasury deposit or High Interest bank deposit accounts. The majority of funds in the Special Needs Appeal and Bursary funds are invested by a professional fund manager.

Governors' liability insurance

The School carries liability insurance for the Governors as an integral part of its combined insurance policy.

Financial review for the year

School net income for the year amounted to £254,767 (2016: £210,761), before transfers between funds. This operational surplus has again been achieved by a modest increase in fees and by managing operating and staffing costs carefully to ensure an on-going strong financial position.

Following consultation with the staff affected, the Governors have decided to end the School's involvement with The Pensions Trust Pension Scheme. As a defined benefit scheme the cost of this Scheme has been increasing steadily in recent years and left the School exposed to significant future liabilities. In order to cap those liabilities, the School will make a final payment to the Scheme to withdraw. A provision of £400,000 is made in these accounts in respect of the cost of that decision to withdraw.

The 10th Anniversary Appeal Fund had reserves of £188,465 (2016: £192,053) at the year end after gains and losses on investments, donations and reinvested investment income. During the year, £18,000 was transferred to the General Funds to cover staffing costs.

The Sally Walker Bursary Fund had reserves of £1,299,319 (2016: £1,179,148) at the year end, after gains and losses on investments, donations and reinvested investment income. During the year, £27,519 was transferred to the General Funds in support of bursaries.

The School continued to improve its facilities with new IT and other equipment costing £158,736 (2016: £77,877).

The School Buildings Fund, representing corporate reserves designated by the Governors to finance the School's long term assets, now stands at £4.9 million (2016: £4.9 million) and is supplemented by the fees in advance.

Reserves policy

The School needs some free reserves to enable it to meet its charitable obligations in the eventuality of an unexpected shortfall in revenue. The Charity Commission defines free reserves as unrestricted funds available to spend on the general purposes of the School and therefore, exclude those designated for particular purposes and those already utilised in purchasing tangible assets. The Governors believe that the level of reserves freely available for its general purpose should be sufficient to secure the future of the School in line with development plans. The Governors have determined that the appropriate level of free reserves which are not invested or planned to be invested in tangible assets should be one term's expenditure which presently amounts to approximately £1.3 million.

Future developments

The number of pupils presently attending the School is very strong and to date registration of pupils to enter the School at Reception (under 5 years old) continues to significantly exceed the supply of places.

The School continues to review the best way to develop its overall teaching facilities whilst not expanding pupil numbers. As a result, in the summer holidays 2016 the School refurbished the art room to create a modern new art room to further develop our specialist teaching areas in line with music and design and technology. The school has made a significant investment in the summer holidays 2017 to upgrade its IT infrastructure. The school intends in the summer holidays 2018 to modernise the main school office and visitor reception area.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 JULY 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The School is controlled by its governing document, the Memorandum and Articles of Association, and is constituted as a company limited by guarantee, as defined by the Companies Act 2006.

Governing body

The Charity's governing body is the Board of Governors ("the Board"), the members of which are listed on page 7.

Recruitment and appointment of new Governors

The Charity's elected Governors are appointed at a meeting of the Board of Governors on the basis of nominations received from existing Governors and the Head to meet the Board's requirements concerning eligibility, personal competence, specialist skills and availability. New Governors are inducted into the workings of the School, including Board Policy and Procedures, through an induction process organised for them by the Head and Bursar. At least one parent Governor is appointed to sit on the Board at any one time.

Organisational structure

The Governors, as the Charity Trustees and Directors, are legally responsible for the overall management and control of the School, and meet at least three times a year. In addition the Finance sub-Committee chaired by Mr M Pink meets before each meeting of the main Board to review the School's finances in general and to approve and monitor budgets, the audited accounts and the annual report prior to presentation to the Board. There are also further sub-committees responsible for investment strategy and Bursary awards, and for specific areas of School compliance, which meet regularly.

It is the responsibility of the Senior Leadership Team of the School to implement the policies of the Board. The day-to-day running of the School is delegated to the Head supported by the Bursar. The Head and Bursar attend all meetings of the Board.

The School is an active member of the IAPS for the promotion and maintenance of preparatory school standards, and is inspected regularly by the Independent Schools Inspectorate, an affiliated body of Ofsted.

Finton House also benefits from the generosity of the thriving network of parent fund raisers who are actively involved in the support of the School's bursary programme.

FINTON HOUSE EDUCATIONAL TRUST

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02119682

Registered Charity number

296588

Registered office

Bridge House
London Bridge
London
SE1 9QR

Principle office

Finton House School
171 Trinity Road
London
SW17 7HL

Governors

M Chilton
Mrs F Brown
R Chatwin
Mrs S Nicholas
M Millar
Mrs A Elliott
M Hancox
M Pink
I Priest
Ms C King
T Frost
Mrs S Hobbs
R Johnston
N Addyman
R Ruparel
Mrs V Andrews

Resigned 31 July 2017

Resigned 31 July 2017

Appointed 1 March 2017

Appointed 23 November 2016

Appointed 1 April 2017

Appointed 1 September 2017

Company Secretary

A J Allan

Auditors

Wilkins Kennedy LLP
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Key Management Personnel:

Head

B Freeman

Bursar

A J Allan

FINTON HOUSE EDUCATIONAL TRUST

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 JULY 2017**

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the directors of Finton House Educational Trust for the purposes of company law and Trustees for the purposes of charity law) are responsible for preparing the Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the School and of the incoming resources and application of resources, including the income and expenditure, of the School for that period. In preparing those financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping 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. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- there is no relevant audit information of which the School's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Wilkins Kennedy LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the Governors, incorporating a strategic report, approved by order of the Board of Governors, as the company directors, on 22 November 2017 and signed on the board's behalf by:


A J Allan - Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FINTON HOUSE EDUCATIONAL TRUST**

Opinion

We have audited the financial statements of Finton House Educational Trust (the 'School') for the year ended 31 July 2017 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 School's affairs as at 31 July 2017 and of its incoming resources and application of resources, 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 School 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.

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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the School'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 Governors are responsible for the other information. The other information comprises the information included in the 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' report, which includes the directors' report and strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governors' report have been prepared in accordance with applicable legal requirements.

Continued...

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FINTON HOUSE EDUCATIONAL TRUST**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the School and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' 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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable company for the purposes of company law and trustees for the purposes of the charity 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 Governors 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 Governors are responsible for assessing the School'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 Governors 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

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the School's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the School's members 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 School and the school's members as a body, for our audit work, for this report, or for the opinions we have formed.



**John Howard (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP**

Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Date: 19 December 2011

FINTON HOUSE EDUCATIONAL TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
INCOME FROM					
Voluntary sources					
Donations	2	235	-	235	183,500
Charitable activities					
School fees receivable	3	4,832,460	-	4,832,460	4,586,771
Sundry other income		131,644	-	131,644	108,801
Ancillary trading activities	4	4,682	30,547	35,229	37,543
Total		4,969,021	30,547	4,999,568	4,916,615
EXPENDITURE ON					
Raising funds	5	25,954	3,136	29,090	27,231
Charitable activities					
School operating costs	6	4,688,300	-	4,688,300	4,507,449
Total		4,714,254	3,136	4,717,390	4,534,680
Net gains on investments		-	109,557	109,557	41,950
NET INCOME BEFORE TRANSFERS		254,767	136,968	391,735	423,885
Transfers between funds	19	20,385	(20,385)	-	-
NET INCOME		275,152	116,583	391,735	423,885
Costs of withdrawal from defined benefit pension scheme	10.1	-	-	-	(400,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		275,152	116,583	391,735	23,885
RECONCILIATION OF FUNDS					
Total funds brought forward		5,323,933	1,371,201	6,695,134	6,671,249
TOTAL FUNDS CARRIED FORWARD		5,599,085	1,487,784	7,086,869	6,695,134

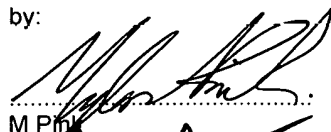
CONTINUING OPERATIONS

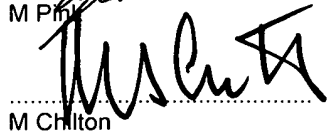
All income and expenditure has arisen from continuing activities.

FINTON HOUSE EDUCATIONAL TRUST
BALANCE SHEET
(REGISTERED COMPANY NUMBER: 02119682)
AT 31 JULY 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	12	5,795,737	-	5,795,737	5,733,886
Investments	13	-	1,487,658	1,487,658	1,371,075
		5,795,737	1,487,658	7,283,395	7,104,961
CURRENT ASSETS					
Debtors	14	208,575	-	208,575	246,660
Cash at bank		1,208,525	126	1,208,651	986,389
		1,417,100	126	1,417,226	1,233,049
CREDITORS					
Amounts falling due within one year	15	(640,752)	-	(640,752)	(643,876)
NET CURRENT ASSETS		776,348	126	776,474	589,173
TOTAL ASSETS LESS CURRENT LIABILITIES		6,572,085	1,487,784	8,059,869	7,694,134
CREDITORS					
Amounts falling due after more than one year	16	(573,000)	-	(573,000)	(599,000)
PROVISIONS FOR LIABILITIES	18	(400,000)	-	(400,000)	(400,000)
NET ASSETS		5,599,085	1,487,784	7,086,869	6,695,134
FUNDS	19				
Unrestricted funds:					
General fund				704,764	419,360
Building Fund				4,894,321	4,904,573
				5,559,085	5,323,933
Restricted funds:					
Sally Walker Bursary Fund				1,299,319	1,179,148
Special Needs Appeal Fund				188,465	192,053
				1,487,784	1,371,201
TOTAL FUNDS				7,086,869	6,695,134

The financial statements were approved by the Board of Governors on 22 November 2017 and were signed on its behalf by:


M Phipps


M Chilton

The notes form part of these financial statements

FINTON HOUSE EDUCATIONAL TRUST

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Cash generated from operations	1	523,238	683,983
Interest paid		-	(144)
Gains (losses) on investments		109,557	41,950
Investment income		<u>31,199</u>	<u>32,674</u>
Net cash provided by (used in) operating activities		<u>663,994</u>	<u>758,463</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(325,549)	(144,431)
Sale of tangible fixed assets		400	
Purchase of charity investments		<u>(116,583)</u>	<u>(170,649)</u>
Net cash provided by (used in) investing activities		<u>(441,732)</u>	<u>(315,080)</u>
 Change in cash and cash equivalents in the reporting period		<u>222,262</u>	<u>443,383</u>
Cash and cash equivalents at the beginning of the reporting period		<u>986,389</u>	<u>543,006</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>1,208,651</u></u>	<u><u>986,389</u></u>

The notes form part of these financial statements

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net income for the reporting period (as per the statement of financial activities)	391,735	423,885
Adjustments for:		
Depreciation charges	263,698	249,872
Gain on investments	(109,557)	(41,950)
Profit on sale of tangible fixed assets	(400)	-
Interest paid	-	144
Investment income	(31,199)	(32,674)
(Increase)/decrease in debtors	38,085	(79,737)
Increase/(decrease) in creditors	<u>(29,124)</u>	<u>164,443</u>
Net cash provided by (used in) operating activities	<u>523,238</u>	<u>683,983</u>

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

1. ACCOUNTING POLICIES

General Information and basis of preparing the financial statements

Finton House Education Trust is a Charitable Company limited by guarantee (without share capital) in the United Kingdom. The address of the registered office is given in the charity information on page 8, and its principal place of business is Finton House School, 171 Trinity Road, London, SW17 7HL. The nature of the charity's operations and principal activities is the of day schooling for children of both sexes between the ages of 4 and 11.

The financial statements of the School, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial 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 investments which are included at market value.

Going Concern

The financial statements have been prepared on the going concern basis as the Governors believe that no material uncertainties exist. The Governors have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the School to be able to continue as a going concern.

Income

All income is recognised in the Statement of Financial Activities once the School has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income is deferred when the fees or donations are received in advance of the academic year or event to which they relate.

- **Donations and other voluntary income**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and it's credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Donations receivable for the general purposes of the School are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds.

- **School fees and similar earned income**

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the services is provided.

- **Investment income**

Investment income including income from dividends is accounted for on an accruals basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the School to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

Governance costs, included within support costs, comprise the costs of external audit and legal and professional expenses in order to comply with constitutional and statutory requirements, and school inspection costs.

Grants awarded are expensed as soon as they become legal or operational commitments.

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017

1. ACCOUNTING POLICIES - continued

Taxation

The School, as a registered charity, is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Governors.

Restricted funds can only be used for particular restricted purposes within the objects of the School. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds can be set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Tangible fixed assets

All fixed assets are initially recorded at costs

Depreciation is provided on all tangible fixed assets retained for use by the School, other than freehold land, at rates calculated to spread each asset's cost, less estimated residual value based on current market prices, evenly over its expected useful economic life, which for each class of asset is assessed as averaging:

Freehold buildings 3% straight line

Furniture and equipment 25% straight line

Motor vehicles 25% straight line

Items costing less than £250 are written off to expense as acquired.

Debtors and creditors

Short term debtors and creditors are measured at transaction price, less any impairment.

Long term creditors are measured at their settlement amount due.

Investments

Investments are valued at their market value at year end. Any gains or losses on investments throughout the year are recorded in the SOFA.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term.

Pension schemes

The School contributes to the Teachers' Pension Defined Benefits Scheme (TPS) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are applicable to the School. In accordance with FRS102 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator.

The School also contributed to a defined benefits scheme administered by the Pension Trust for non-teaching senior administrative staff. This Scheme is also a multi-employer pension scheme and accounted for as a defined contribution scheme when contributions are advised as due by the Scheme Administrator.

The School contributes to a defined contribution pension scheme for all other non-teaching staff.

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017**

1. ACCOUNTING POLICIES - continued

Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property, plant and equipment, and note 1 'tangible fixed assets' for the useful economic lives for each class of assets.

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Donations	<u>235</u>	<u>-</u>	<u>235</u>	<u>183,500</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2017 £	2016 £
Gross fees	Fees Receivable	4,918,675	4,706,384
Staff discounts & Bursaries	Fees Receivable	(86,215)	(119,613)
Registration fees	Sundry other income	8,040	8,640
Other fees incl. school clubs	Sundry other income	<u>123,604</u>	<u>100,161</u>
		<u>4,964,104</u>	<u>4,695,572</u>

4. ANCILLARY TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Investment income	1,452	30,547	31,999	32,674
Shop income	<u>3,230</u>	<u>-</u>	<u>3,230</u>	<u>4,869</u>
	<u>4,682</u>	<u>30,547</u>	<u>35,229</u>	<u>37,543</u>

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017

5. RAISING FUNDS

	Unrestricted funds	Restricted funds	2017 Total funds	2016 Total funds
	£	£	£	£
Fundraising and publicity	21,846	-	21,846	18,438
Shop expenditure	2,623	-	2,623	4,267
Finance and other costs	1,485	3,136	4,621	4,382
Interest payable and similar charges	-	-	-	144
	<u>25,954</u>	<u>3,136</u>	<u>29,090</u>	<u>27,231</u>

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Other	Depreciation	Total
	£	£	£	£
Charitable expenditure				
Teaching costs	2,730,331	159,713	-	2,890,044
Welfare	103,683	121,110	52,740	277,533
Premises	69,121	241,142	210,958	521,221
Support costs - note 7	<u>552,980</u>	<u>446,522</u>	<u>-</u>	<u>999,502</u>
	<u>3,456,115</u>	<u>968,487</u>	<u>263,698</u>	<u>4,688,300</u>

7. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
School operating costs	<u>826,074</u>	<u>173,428</u>	<u>999,502</u>

Support costs, included in the above, are as follows:

	2017 School operating costs	2016 Total activities
	£	£
Salaries & social security	488,129	469,465
Pensions & insurance	64,851	59,796
Hire of plant and machinery	16,424	19,381
School trips	(5,861)	(6,250)
Telephone	14,870	14,393
Consumables & equipment	124,840	142,926
Consultancy fees	66,367	-
Sundries	4,538	2,007
Profit on disposal	(400)	-
Transport expenses	52,316	40,777
Governance costs:		
Auditors' remuneration	9,500	9,400
Auditors' remuneration for non-audit work	48,192	49,092
Legal and professional fees	<u>115,736</u>	<u>66,208</u>
	<u>999,502</u>	<u>867,195</u>

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017**

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Auditors' remuneration	9,500	9,400
Auditors' remuneration for non-audit work	48,192	49,092
Depreciation - owned assets	263,698	249,872
Operating lease rentals	22,997	30,275
Hire of plant and machinery	<u>16,424</u>	<u>19,381</u>

9. GOVERNORS' REMUNERATION AND BENEFITS

No Governor received remuneration during this year.

Governors' expenses

No Governor received reimbursement of expenses during the year (2016: none).

10. STAFF COSTS –

The average number of employees in the year was:

	In Pension Scheme	
	2017	2016
Teaching staff	55	57
Domestic and maintenance staff	13	14
Administration	9	9

The aggregate payroll costs for the year were as follows:

	£	£
Salaries & wages	2,725,726	2,647,756
Social security	259,806	219,168
Pensions	346,107	315,352
Life and health insurance	59,209	58,373
Other staff costs	<u>65,267</u>	<u>77,352</u>
	<u>3,456,115</u>	<u>3,318,001</u>

Employee time has been allocated to direct and support costs allocated on a percentage basis over all the costs.

The number of employees whose emoluments exceeded £60,000 were:

	2017	2016
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£100,001 - £110,000	1	1

Pension contributions totalling £53,414 (2016: £42,003) were made to defined benefit contribution schemes in respect of the four higher paid employees.

The key management personnel comprise the Head and the Bursar (as noted on page 8). The aggregate benefits of key management personnel amounted to £206,390 (2016: £189,811).

10.1 PENSION SCHEME WITHDRAWAL

In 2016 the Governors, in consultation with staff, decided to cease to participate in The Pensions Trust defined benefit pension scheme. In light of that decision, the School made provision for the likely costs of that withdrawal. Further information regarding the Scheme is shown in note 23 to these accounts.

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
INCOME FROM			
Donations and legacies	38,500	145,000	183,500
Charitable activities			
School fees receivable	4,586,771	-	4,586,771
Sundry other income	108,801	-	108,801
Other trading activities	8,637	28,906	37,543
Total	4,742,709	173,906	4,916,615
EXPENDITURE ON			
Raising funds	24,499	2,732	27,231
Charitable activities			
School operating costs	4,507,449	-	4,507,449
Total	4,531,948	2,732	4,534,680
Net gains on investments	-	41,950	41,950
NET INCOME BEFORE TRANSFERS	210,761	213,124	423,885
Transfers between funds	42,475	(42,475)	-
NET INCOME	253,236	170,649	423,885
Costs of withdrawal from defined benefit pension scheme	(400,000)	-	(400,000)
NET MOVEMENT IN FUNDS FOR THE YEAR	(146,764)	170,649	23,885
RECONCILIATION OF FUNDS			
Total funds brought forward	5,470,697	1,200,552	6,671,249
TOTAL FUNDS CARRIED FORWARD	5,323,933	1,371,201	6,695,134

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2016	7,335,289	514,344	36,734	7,886,367
Additions	166,813	158,736	-	325,549
Eliminated on disposal	-	-	(36,734)	(36,734)
At 31 July 2017	7,502,102	673,080	-	8,175,182
DEPRECIATION				
At 1 August 2016	1,701,714	414,033	36,734	2,152,481
Charge for year	204,067	59,631	-	263,698
Eliminated on disposal	-	-	(36,734)	(36,734)
At 31 July 2017	1,905,781	473,664	-	2,379,445
NET BOOK VALUE				
At 31 July 2017	5,596,321	199,416	-	5,795,737
At 31 July 2016	5,633,575	100,311	-	5,733,886

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017**

13. FIXED ASSET INVESTMENTS

	2017 Investments £
MARKET VALUE	
At 1 August 2016	1,119,939
Additions	215,498
Disposals	(200,391)
Revaluations	<u>109,557</u>
At 31 July 2017	<u><u>1,244,603</u></u>

	2017 £	2016 £
UK Hedge funds	71,088	105,719
UK Equities	558,916	492,231
International Equities	320,074	267,670
Multi-Asset funds	246,541	233,655
Alternative – other	<u>47,984</u>	<u>20,664</u>
Investments at market value	<u>1,244,603</u>	1,119,939
Cash balances held at Fund Manager:		
- Income Account	30	
- Capital Account	<u>243,025</u>	<u>251,136</u>
Total	<u><u>£1,487,658</u></u>	<u><u>£1,371,075</u></u>
Cost of listed portfolio	<u><u>£1,244,881</u></u>	<u><u>£1,197,963</u></u>

The School's investments in each of the following represented more than 5% of the managed portfolio at the year end:

	Percentage of portfolio %
UK Equities	
The Equity Income Trust for Charities Income Units	14%
Trojan Income Funds	8%
Majedie U.K Equity Funds	6%
Vanguard FTSE 100 UCITS ETF	8%
International Equities	
Vanguard Funds PLC S&P 500 UCITS	9%
Multi-Asset Fund	
CF Ruffer Total Return Fund	5%
Trojan Investment Funds	6%

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	91,626	92,003
Other debtors	<u>116,949</u>	<u>154,657</u>
	<u><u>208,575</u></u>	<u><u>246,660</u></u>

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	24,024	14,510
Social security and other taxes	82,843	82,413
Other creditors	37,435	22,237
Deposits and fees received in advance	129,000	130,000
Accrued expenses & deferred income	<u>367,450</u>	<u>394,716</u>
	<u>640,752</u>	<u>643,876</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Deposits and fees received in advance	<u>573,000</u>	<u>599,000</u>
The movement in total fees received in advance during the year were:		
	2017	2016
	£	£
Balance at 1 August 2016	673,000	634,000
Receipts in the year	148,000	223,000
Repayments in the year	(152,000)	(158,000)
Amounts used to pay fees	<u>(14,000)</u>	<u>(26,000)</u>
Balance at 31 July 2017	<u>655,000</u>	<u>673,000</u>

17. OPERATING LEASE COMMITMENTS

The School had total commitments under operating leases as follows:

	Other operating leases	
	2017	2016
	£	£
Expiring:		
Within one year	22,969	13,646
Between one and five years	<u>47,189</u>	<u>33,515</u>
	<u>70,158</u>	<u>47,161</u>

18. PROVISIONS FOR LIABILITIES

	2017	2016
	£	£
Provisions	<u>400,000</u>	<u>400,000</u>

The provision shown above represents the estimate cost of withdrawal from The Pensions Trust defined benefit pension scheme.

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2017**

19. MOVEMENT IN FUNDS

	At 1/8/16 £	Net movement in funds £	Transfers between funds £	At 31/7/17 £
Unrestricted funds				
General fund	419,360	254,767	30,637	704,764
Building Fund	<u>4,904,573</u>	<u>-</u>	<u>(10,252)</u>	<u>4,894,321</u>
	5,323,933	254,767	20,385	5,599,085
Restricted funds				
Sally Walker Bursary Fund	1,179,148	122,556	(2,385)	1,299,319
Special Needs Appeal Fund	<u>192,053</u>	<u>14,412</u>	<u>(18,000)</u>	<u>188,465</u>
	1,371,201	136,968	(20,385)	1,487,784
TOTAL FUNDS	<u><u>6,695,134</u></u>	<u><u>391,735</u></u>	<u><u>-</u></u>	<u><u>7,086,869</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Fund	4,969,021	(4,714,254)	-	254,767
Building Fund	-	-	-	-
Restricted funds				
Sally Walker Bursary Fund	27,519	(2,790)	97,827	122,556
Special Needs Appeal Fund	<u>3,028</u>	<u>(346)</u>	<u>11,730</u>	<u>14,412</u>
	30,547	(3,136)	109,557	136,968
TOTAL FUNDS	<u><u>4,999,568</u></u>	<u><u>(4,717,390)</u></u>	<u><u>109,557</u></u>	<u><u>391,735</u></u>

The 10th Anniversary Special Needs Appeal Fund was established with the objective to raise funds to help cover the staffing costs of the School Special Needs Department. Transfers of £18,000 (2016: £18,000) were made in the year to general funds to cover those staffing costs.

For the Sally Walker Bursary Fund, donations of £nil (2016: £145,000) from the PTA were received and bursaries totalling £57,843 (2016: £78,787) were partly financed by this Fund.

The School Building Fund represents designated funds retained to finance School freehold property after deducting other long term financing provided by fees in advance. The balance of corporate reserves represents free reserves to cover normal fluctuations in working capital and further investment in school facilities.

20. CONTINGENT LIABILITIES

The School has guaranteed a bank facility granted to Trinity Fields Trust. The maximum amount of such guarantee is £5,000 (2016: £5,000).

21. CAPITAL COMMITMENTS

There are capital commitments at the year end of £112k (2016: £211k).

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2017

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2017 (2016: none).

23. PENSION SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) for its teaching staff, an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and the Teachers' Pensions Scheme Regulations 2014. Members contribute on a 'pay as you go' basis with contributions from members and employer being credited to the Exchequer.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. From April 2015, the Teachers' Pension Scheme (TPS) changed the variable rate for employees to between 7.4% and 11.7% depending upon which salary bracket each employee falls into. The employer contribution rate increased from 14.1% to 16.48% in September 2015. Employer contributions payable to the scheme in the year amounted to £259,444 (2016: £240,356). All contributions due were paid in the year.

The Pensions Trust - Independent Schools' Pension Scheme

The School also participates in the above Pensions Trust scheme, a multi-employer defined benefit scheme. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £119.5m, liabilities of £286.5 and a deficit of £166.9m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Contributions payable to this scheme in the year amounted to £11,897 (2016: £11,630). All contributions were paid in the year. The total combined contribution rates for this scheme are 19.5% with an additional monthly deficit charge of £375. Following the change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Pension Trust Scheme in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. As at 30 September 2015, being the last actuarial valuation, the potential debt was £465,726. The school has made a provision of £400k in these accounts to exit the scheme in full by the end of March 2018.

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS and the Pensions Trust Scheme are both multi-employer pension schemes. The School is unable to identify its share of the underlying assets and liabilities of these schemes. Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the schemes as if they were defined contribution schemes.

Defined Contribution Scheme

The School also operates a defined contribution pension scheme with both Standard Life and Scottish Widows for its non-teaching staff, the assets for which are held separately from those of the School in an independently administered fund. Net contributions payable by the School amounted to £70,687 (2016: £67,653). Contributions by the employer are 7.5% (2016: 7.5%) All contributions due were paid in the year. All eligible non-teaching staff are automatically enrolled into this scheme when joining the School.

24. LIABILITY OF MEMBERS

The School is a company limited by guarantee and the liability of members is limited to £1 in the event of a winding up.