



**Halliford
School**
SHEPPERTON

Halliford School Limited

Governors' Report and Financial Statements

For the year ended 31 August 2019

Contents

Legal and administrative details	3
Governors' Report	5
Vision, Mission Statement, Aims and Key Activities.....	5
Governance and Management	7
Reserves Policy.....	8
Future Developments	9
Statement of Governors' Responsibilities	10
Strategic Report	11
Independent Auditor's Report to the members of Halliford School Limited	17
Statement of Financial Activities	20
Balance Sheet.....	21
Statement of Cash flows	22
Notes to the Financial Statements	23

Legal and administrative details

Full name and registered address of the charity

Halliford School Limited
Russell Road
Shepperton
Middlesex
TW17 9HX

Charity status

Founded in 1921

Halliford School was privately owned until December 1956 when it was incorporated as a company limited by guarantee, where the liability of the members is limited to £1, and not having share capital.

Re-named as Shepperton Grammar School Ltd the School retained this name until December 1971 when it reverted to Halliford School Ltd.

The governing document of Halliford School Ltd is the Memorandum and Articles of Association as revised at the Annual General Meeting held on 28 November 2002 and approved by the Charity Commission on 6 January 2003.

Charity registration number - 312090

Company registration number - 00575324.

Governors and Directors of the Company

The following were both Governors of the School and Directors of the Company during the period of this report:

Mr K.H. Woodward	Chairman and elected in the day to day management of the school.
Mr C.S. Squire	Deputy Chairman
Mrs N.F. Cook	
Mr M.A. Crosby	
Mr R.C. Davison	
Mrs K. Gulliver	Parent Governor
Mr B.T. Harris	
Mr A. Hirst	
Mrs P. A. Horner	
Mr A. Lenoel	
Mr N. Maud	Parent Governor
Mr R. Parsons	
Professor J. Phillips	
Mr P. Roberts	
Dr M. Sachania	

Headmaster and Senior Staff

Mr J Davies	Headmaster
Mrs E Sanders	Bursar, Clerk to Governors and Company Secretary
Mr J Bown	Deputy Head (Pastoral)
Mrs J Cotton	Deputy Head (Academic)
Mr J Carrington	Senior Tutor
Mr S Slocock	Head of Sixth Form

Professional advisers

Bankers
National Westminster Commercial Bank
280 Bishopsgate
London
EC2M 4RB

Auditors
Haines Watts Kingston LLP
Chartered Accountants
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Legal
Veale Wasbrough Vizards
Orchard Court
Orchard Lane
Bristol
BS1 5WS

Governors' Report

The members of Halliford School Governing Body present for the year ended 31st August 2019 their Annual Report under the Charities Act 2011, incorporating their Governors' and Strategic Report under the Companies Act 2006, together with audited financial statements of Halliford School.

The financial statements comply with the Charities Act 2014, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Vision, Mission Statement, Aims and Key Activities

Vision of Halliford School

To be acknowledged as the small independent school of choice for 11-18-year olds, where we are proud to belong to a thriving, happy and aspirational community that is committed to each student as an individual.

Mission Statement

Halliford School is based on strong family values where we know and respect every student as an individual. We encourage and support Hallifordians to flourish and become the best version of themselves that they can possibly be.

We aim for excellence by being academically ambitious but at the same time academically sensitive.

We inspire Hallifordians within a community that is founded on high quality teaching and learning, outstanding pastoral care and first-class sporting, cultural and extra-curricular opportunities.

Halliford School is a boys' school for eleven to eighteen-year olds with a co-educational Sixth Form.

Aims

The School has five clear aims:

- To provide a sound academic education for boys aged 11 to 18 and girls aged 16 to 18.
- To provide a balanced and wide-ranging extra-curricular programme.
- To provide a warm-hearted family ethos in which every student is known and valued as an individual.
- To provide a clear moral framework which is accessible to all students.
- To provide a high level of individual attention and pastoral care.

Values

Our students and staff identified the following values as being at the heart of what it means to be a Hallifordian:

- | | |
|--------------------------|----------------|
| • Intellectually curious | • Team players |
| • Respectful | • Creative |
| • Warm-hearted | • Resilient |

As an educational charity, the parents of our pupils have the assurance that all the income of the School is used for educational purposes as described by the following objectives of the charity:

- To establish and maintain an independent day school for the education of both boys and girls.
- To establish or acquire as a going concern and carry on or manage elsewhere, any subsidiary, affiliated or other schools for the education of boys and girls in connection with the above mentioned School, and to supply to such pupil's instruction, together with physical, moral and religious training, and to provide accommodation for Staff and pupils being boarded, and meals for those taking meals at school, but so that each such school shall be carried on as an educational charity.
- As a charity the School benefits from some tax exemptions on its educational activities and investments and is entitled to an 80% reduction on business rates on all property used for charitable purposes. These financial benefits indirectly help us to sustain our bursary policy and provide a means by which we can educate some children whose families would otherwise not be able to afford the fees and therefore access the education offered.

Key activities

The Governors understand the requirement to deliver a rich and broad educational experience to all pupils. Through their strategic direction, governance and risk management they seek to ensure the School has both the resources and operating framework to enable it to provide a friendly, family orientated and supportive environment in which all pupils are known as individuals by most, if not all, staff. They are equally valued and supported regardless of race, religion, gender and disability.

The School works to ensure all pupils are given the same opportunity to learn and develop and, in so doing, provide a wide array of support to pupils whether they face individual challenges to their ability to learn or are potentially high achievers.

The Governors' policy is to award scholarships on the basis of an individual's educational and co-curricular merit or potential. They also offer bursary scholarships where the scholarship is supplemented by a bursary.

Bursary awards, which are available to all who meet the Schools' general entry requirements, are made solely on the basis of parental means or to relieve hardship (for example in the case of redundancy) or where a student's education and future prospects would otherwise be at risk. Bursary awards can be given up to 100% fees discount.

Information can be found on the School's website.

The School attracts high quality teaching and non-teaching staff through fee remission for their children, if they meet the admission requirements.

This year the total value of awards for scholarships, bursaries and staff remission was £521,506 (2018: £535,812).

Central to the caring ethos of the School is a firm belief in the importance of fostering those values which are essential for a civilised community; pupils are expected to show courtesy and consideration to all and they are encouraged to develop a sense of personal responsibility for their actions and for the care of other people.

Our School welcomes pupils from all backgrounds; however, we need to be satisfied that we will be able to educate and develop a prospective pupil to the best of their potential and in line with the

general standards achieved by their peers. To that end entrance interviews and assessments are undertaken to satisfy both ourselves and parents that potential pupils could cope with the pace of learning and benefit from the education provided. An individual's economic status, ethnicity, religion or disability do not form part of our assessment process and to help with the continuity of education in families a discount is offered for parents who have more than two children in the School.

We are an equal opportunity organisation committed to a working environment that is free from discrimination and will make reasonable adjustments to meet the needs of staff or pupils who are, or become, disabled.

In summary, the role of our School is to provide pupils with a range of educational opportunities within which they can fully realise their individual potential. Our aims are for the public benefit and we have considered the Charity Commission's Guidance.

Governance and Management

Board of Governors

The number of Governors elected to the Board must be between 10 and 21; at least two of which must be parents/guardians of pupils currently attending the School. Governors are encouraged to attend seminars organised by the Association of Governing Bodies of Independent Schools and other accredited organisations as appropriate. Upon election to the Board of Governors new Governors visit the School, are briefed by both the Headmaster and the Bursar and are provided with copies of the relevant Charity Commission documents, in particular The Essential Trustee and Charity Reporting and Accounting and any particular training required identified and arranged.

Members of the School elect the Governors at the AGM; normally each Governor is elected for a period of 3 years. At each AGM, at least one third of Board appointments must be rotated by either re-election or the appointment of new Governors. Articles 34 and 46 of the Memorandum of Association cover the appointment of new Governors.

Governance

The Board of Governors continue to keep the School's activities under review and in particular, risk identification and, where appropriate, mitigation (including Insurance cover) and the effectiveness of internal controls. The Board of Governors meet once per term to review the reports of the sub-committees and determine both the strategic direction and policies of the School. In addition, the Executive Committee has powers to meet and reach decisions on issues requiring urgent attention.

Sub-committees for the financial year ended on 31 August 2019 were:

- Staffing and Academic
- Finance
- Building
- Marketing
- Safeguarding and Welfare

The Governors and the Senior Management Team comprise the key management personnel of the charity in charge of running and operating the School on a day-to-day basis. All Governors give their time freely and no director received remuneration in the year.

The pay of all staff is reviewed annually and normally increases with the cost of living. The Governors benchmark against pay levels in other independent schools of a similar size.

Related Organisations

Halliford has a wonderful and supportive group of parents who arrange various fundraising events for the School. They are run as a separate organisation and any funds raised by the PTA are donated to the School and are included in Donations in the Statement of Financial Activities.

Reserves Policy

In balancing the needs of current and future beneficiaries Governors consider how the School's reserves can best be utilised to meet the likely challenges and opportunities in the medium to long term and have agreed that the primary objectives for the reserves are:

- In the event of a crisis, be able to sustain education provision for those pupils within an examination phase until their examinations have been completed.
- To improve the School environment.

School reserves are made up of Unrestricted Funds, Designated Funds, Restricted Funds and an Endowment Fund.

Unrestricted Funds

The schools total reserves (excluding the revaluation reserve) are £6,806,581 (2018: £5,938,991). Unrestricted funds must be at least enough to support 3 months of operating costs which would act as a buffer to ensure the School can fund continuity of education in a crisis. The unrestricted reserves considered to be sufficient for the immediate needs are approximately £1,158,000. This is reviewed termly.

Designated Funds

Since the year end the Governors have decided to designate any reserves in excess of the £1,158,000 in order for the school to continue to invest in the improvement of educational and sports facilities offered. At the time of Governor Review in November 2019, this equates to approximately £5m. These designated funds represents unrestricted funds which are retained to finance the freehold property and fixed assets as well as earmarked for future capital projects such as refurbishment and IT infrastructure.

Within the next 5 years, the School intends, subject to planning permission, to build additional classrooms and refurbish and expand the theatre block.

Restricted Funds

These funds are held separately by the School and have been provided for specific items such as prizes, awards, bursaries and scholarships. Total restricted funds are £111,615 (2018: £105,191).

Endowment Funds

The endowment fund is held to fund education at the discretion of the Governors. Total endowment funds are £98,984 (2018: £98,804).

The total funds held are £11,977,038 (2018: £11,206,174).

Future Developments

The Governing Body along with the Senior Management Team strive to grow pupil numbers, maintain financial reserves and ensure investment and development in the school in order for it to continue in the foreseeable future. The aim is to reinvest where ever possible financial surpluses raised in order to improve the education of students by providing the best teaching and sporting facilities and significant resources across the whole school site. The school went through a period of considerable financial investment when the PC Centre was built and then a period of consolidation. Only in the last two years has the school once again started to invest significantly in the buildings and the IT infrastructure. In order to maintain and grow pupil numbers in a very competitive market the school must continue to reinvest as much financial surplus as possible. The school have commenced a master planning project looking at current school buildings and sports facilities which will be considered as new projects to celebrate the 100 year anniversary of Halliford School in 2021.

Statement of Governors' Responsibilities

For the year ended 31 August 2019

The governors (who are also directors of Halliford School Limited for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

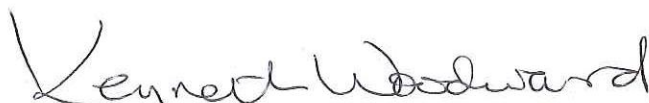
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

In so far as, the Governors are aware:

- There is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Governors Report approved and signed on its behalf by



K H Woodward

Chairman

Date 26th Nov. 2019.

Strategic Report

Achievements and performance

In the year ending 31st August 2019 pupils on roll in School was 407. The termly fees, before any deduction of any means tested bursaries and scholarships for the year ending 31 August 2019 was £5,320.

Academic

Halliford School once again managed to secure yet another excellent set of GCSE results.

GCSE Examination Results

Halliford School students have seen their hard work pay off with 41% of the exams at the top Grades 7-9 and 95% Grades 9-4. Hot on the heels of our excellent A-Level Mathematics results this year, 71% of those entered for the demanding GCSE Further Mathematics course gained an A grade or higher with 23% gaining the much-coveted A* with distinction result.

GCSE	2015	2016	2017	2018	2019
Candidates	68	72	59	61	73
% Pass Grades A*- C, Grades 4 - 9	92.2	93.0	91	95	95
% Grades A/A*, Grades 7 -9	38.2	49	42	46	42

A Level Examination Results

Students achieved another excellent set of A-Level results obtaining a 99% pass rate with some outstanding individual success stories and with 72% of the results being graded at A* to C.

The majority of Halliford Sixth Formers continue with Further Education and this Autumn students will be attending a wide range of universities, including Manchester, Liverpool and Warwick University.

A Level	2015	2016	2017	2018	2019
Candidates	56	42	34	40	35
% Pass (Grades A*-E)	98.7	97.6	99	99	99
% Pass (Grades A*-B)	53.6	48	54.1	58.3	45.6

Culture

The English and Drama Departments worked with Year 8 to put on a production of Shakespeare's *Much Ado About Nothing* and then there were plenty of secrets and adventures in this year's superb production of *Arabian Nights* which ran in the John Crook Theatre for three nights in March.

The music department held lunchtime concerts throughout the year. They are an excellent opportunity for students to air some of their pieces and accustom themselves to playing under pressure. The Annual Halliford Song contest was held in the Autumn Term and once again, proved an excellent chance for students to exercise their singing skills in a public forum. 2018 saw the third of Halliford School's highly successful annual Winter Concerts, which once again proved to be a sell-out success. Now established as a stable fixture in the School year, the concert celebrates the wealth of ensembles that exist at Halliford and showcases the versatility of our musicians and the breadth of

musical interest in the school. The Chamber choir delivered a wonderful and uplifting performance in the Royal Albert Hall to celebrate Handel's composition of Messiah. The 2018 evening Carol Service was hosted by our local village church of St Nicholas in Shepperton. The Halliford School Young Musician competition made its return in March. This year, the standard was higher than ever with fantastic performances from students of all year groups. The end of the academic year was celebrated by the Summer Soiree. The evening was once again in the courtyard featuring many magnificent performances from students of all ages including Halliford Singers, Chamber Orchestra, Jazz Band, Rock Bands and a whole host of talented soloists. Local residents are invited to this evening event and are warmly welcomed to the School.

Duke of Edinburgh at Halliford School remains popular with nearly 100 Hallifordians taking part in either a Silver Training or Bronze Assessed Expedition in the Surrey Hills.

In November, Halliford competed against a number of local schools in the Rotary Club Youth Speaks public speaking competition. Six Halliford Politics students attended the Spelthorne Senior Schools' Parliamentary Event in February at the Spelthorne Borough Council Offices.

Year 9 BBC Young Reporters Interviewed the Police and Crime Commissioner for Surrey.

This year also saw the launch of Young Enterprise, which was a great success, and set an excellent target for future Young Enterprise teams to beat.

Art

Year 7 Art Club students created ceramic poppies to commemorate the 100th Anniversary of the First World War, these are now on display outside the Headmaster's office.

In the Summer Term, the Art Department celebrated its annual Art Exhibition showcasing the excellent student work which had been created over the year. This remains a highlight of Speech Day.

Year 8 had the amazing opportunity to go out of their usual classroom for their Art lesson to learn about Smoke Firing. The art department also run staff wellbeing sessions and organise afterschool art clubs for students.

School Trips

These are viewed as an integral part of the education offered by the School and a selection of trips covering academic, cultural and sporting activities included the following:

- 30 Halliford musicians went on a tour of the Rhineland in February where they visited many musical sites of interest and performed in Cologne, Bad Munster am Stein-Ebernburg, and Vallendar
- The drama department took Years 10 – Lower Sixth drama students to the Battersea Arts Centre to see Gecko Theatre's production of *Missing*
- The art department took Year 9 to The Cass Sculpture Foundation, near Goodwood
- Year 10 GCSE Classicists visited the Ashmolean museum in Oxford to view their Ancient Greek exhibits as part of their GCSE Classical Civilisation course.
- Year 9 and 10 boys took part in a French Exchange to Bayonne
- Year 10 boys took part in a German Exchange to Neumunster
- The Sixth Form Enrichment Group took a trip to see *Les Misérables* at the Queen's Theatre
- Year 7 Geography students went to Juniper Hall and River Tillingbourne
- 55 students and 7 staff travelled to Obergurgl in Austria for the annual ski and snowboard trip.
- The Drama Department took 25 students to New York, where they participated in Drama workshops run by Broadway actors and attended two shows.
- Year 11 Drama students went to see the West End production of *The Woman in Black*

- Year 11s had a paintballing excursion before going off on study leave
- Year 7 English students went on a trip to the Harry Potter Experience
- Year 9 and Year 10 both had trips to the World War One Battlefields. This continues the long Halliford tradition of visiting the sites of the Western Front in World War One and paying our respects to those who fought and in many cases died. In November Year 10 spent three days visiting the Somme and the Ypres Salient and in June Year 9 visited Ypres. The trip was an opportunity to directly enhance and support the learning on World War One that they have done in their history lessons during the year.
- In June, the Year 7s visited Le Touquet with the Modern Foreign Languages Department where they had an opportunity to practice the French they had learnt over the year.

Sport

It has once again been a very busy year in the PE and Sport department, in total we have played 106 Rugby, 97 Football and 52 Cricket matches this year. Adding to this Rugby sevens, Basketball, Athletics and Golf competitions, we have had at least 80% of all Halliford students represent the school in some sport and continue to be proud of the sporting provision that is provided for our students. It is important to acknowledge Halliford student commitment to training, fixtures and competitions, they always represent the school and sports department superbly.

The sporting year is always a busy one filled with Rugby, Football and Cricket matches, as well as numerous athletics competitions. The organising of key school sporting events such as the various inter house sporting competitions, Senior Flood lit Rugby Sevens and Sports day alongside annual mini tours to Millfield for Rugby Sevens and Warwick for National Schools golf to name a few. We have introduced strength and conditioning training for our Seniors, invested in some new equipment for our fitness balcony and continued to push what we offer our students in the sporting programme.

Notable achievements go to our Senior Rugby first XV who won their super 8 fifteen-a-side competition this year. Our fourth XI in the football season who also won their league competition and a key achievement for a school of our size to consistently provide A and B team sport for students, lower down the school often expanding this to C and D teams.

For a school our size we have an incredible sporting pedigree, and this year is no different with a huge number of students gaining representative honours including a number of boys being selected for rugby academies or high performance programs. We have also seen impressive individual successes from individuals in their own sporting areas including swimming, tri and biathlons, basketball, cricket and archery.

We have increased our Twitter activity also to promote Halliford Sport a little more and keep parents up to date with matches, weekend opponents and tours.

The introduction of a sports gap year student role in the PE department has enabled us to continue to push the wide ranging sporting provision we offer and also the quality of what we deliver.

Sports day in July always rounds off the sporting year at Halliford superbly, achieving a true mass participation element with students competing in a range of track and field events. It was the second year we used Walton's Xcel running track and the high class facility certainly inspired some superb individual performances.

A huge thanks goes to the staff who give up time to run practices during the week and especially to those who turn out on Saturday mornings to allow these sporting opportunities to take place for our students, without which the sports programme could simply not run.

Public Benefit

Halliford School has always taken and will continue to take its responsibilities as a charitable trust very seriously. The School will continue to contribute by maintaining current links and creating new links within the community.

In the Community, Halliford School has provided

- Car parking facilities for the Shepperton Fair during the Summer Term, as well as staff to oversee the parking free of charge. This has an impact across a wide range of our local community and affects at least 200 members of the public.
- Support to local businesses by sourcing wherever possible supplies and services from Shepperton High Street, for example the greengrocer, florist, butcher and drycleaners.
- School uniform is provided by a local business.
- Support to the Mayor of Spelthorne providing the use of school facilities for some Spelthorne council and family events, for example, Spelthorne's Got Talent which is an event held in March where there were over 200 attendees.
- The use of the John Crook Theatre for the Shepperton Historical Society and Rotary Club. Halliford School did not charge a hire fee and provided the use of the facilities manager to open and close the school for them. Crockery and facilities for refreshments was also provided.
- Students who volunteer weekly to spend a morning at Manor Mead School in Shepperton supporting teaching staff with reading, writing and other play activities.
- The use of indoor cricket nets for a local cricket club and a local state school during the winter months
- The Harvest Festival in September supplied the Greeno Centre and the local Elmbridge Food Bank with over 300kg of non-perishable foods.
- In November, a Remembrance Service was held at 11am, when all parents, Governors and local residents were issued with an open invitation.
- In December some of Halliford's young musicians visited the Mulberry Centre in Isleworth to perform a selection of Christmas music for those fighting cancer.
- The Year 7 Homeless Winter Coat Appeal raised over 30 winter coats for the St Saviour's Church homeless centre in December 2018.

Contributions to Education in the Community

- Two members of staff are members of the Governing Body at local independent schools.
- A member of staff runs music and art workshops at local primary schools.

Charity Fundraising

Charity is at the heart of our ethos here at Halliford and every year we endeavour to raise funds for various local and national causes.

Fundraising organised by the Charity Prefects included the following:

- The annual 'Movember' event, where £2,223 was raised for the Movember Foundation
- A charity week was held in March, where each of the four houses staged a day of various charity events raising over £1,800.
- A charity mufti day was once again held in March raising funds for Momentum Children's Charity
- A Christmas jumper day raised funds for Save the Children

Financial Overview

Financial Results

The financial statements show net income from unrestricted funds for the year amounted of £764,260 (2018: £503,095)

Unrestricted net cash inflow from operating activities for the year was £1,438,956 (2018: £1,340,863)

Summary of the year

Income from charitable activities of £6,953,412 (2018: £6,417,473) has increased due to additional fee income and lunch receipts generated from higher student numbers. Additional students using the daily coach service has led to an increase in income.

School services costs of £3,612,074 (2018: £3,464,937) have increased due to maternity and sickness related costs, additional IT related costs due to upgrading IT systems and additional associated licence costs pupil related software.

Support costs totalling £2,079,280 (2018: £1,921,605) have increased due to personnel costs of property staff, additional support staff related costs, property maintenance expenditure and higher depreciation than in the previous year.

Principal risks and uncertainties

The Governors keep under regular review the principal operational areas of the school and consider the major risks faced by the School in these areas. The Senior Management Team reviews and updates the risk to ensure action is taken to mitigate any negative impact of risk.

The major risks and uncertainties to the School are common to all independent schools.

Risks for an independent school	Mitigation
Staff Recruitment and Retention Maintaining high quality teaching staff	Competitive salary and benefits package including school fee remission.
Volatility of pupil numbers joining the Lower School. Arising principally from economic changes; affordability and the strong competition from local Independent and State Schools.	New marketing material produced including a new prospectus launched. Attendance at Prep School Open Evenings and introduction of an additional Open Day. Refurbishment of teaching spaces and provision of additional IT equipment. New Music Facilities Additional sports coaching through external providers i.e. Harlequins. Increased number of residential trips including Music Tours and Iceland.
Pupil Admissions in Sixth Form including girls joining at 16 years.	Improve the retention of internal candidates by offering earlier scholarships. Refurbished Sixth Form Study Area and increased IT provision.

	Refurbished Sixth Form Café with new self-service drinks area. Introduction of new A Level subjects and lecture programme,
Managing the cash flow in light of income received termly and outgoings occurring year round. Greatest spend occurring during the summer holiday period.	Continuous monitoring of the cash flow and meticulous planning around payment schedules in the summer.
External political changes leading to increased costs (for example potential introduction of VAT on school fees, removal of Business rates and contribution changes for the Teachers' Pension Scheme.)	Affordability of school fees by parents leading to detrimental impact on cash flow. Ability to maintain a level of surplus funds to cover the possible cash flow shortage, increased depreciation costs and loan repayments.
Increasing cyber risk in school possibility leading to loss of data and potential data breach.	Outsourced IT provision providing robust knowledge and skills, software experience and data storage/ recover facility.

Site development

The refurbishment of the Music Suite, Baker Building, Science labs and newly created Design Suite for DT were completed in time for the new academic year.

A new telephone system and enhanced CCTV was also installed across the whole site in Summer 2019.

The 6th Form Café was refurbished to include a self-service area and improved catering / dining facilities.

The school continues to make significant investment in IT provision. This year new Apple computers and keyboards were installed in the Music Suite, high spec computers in the Design Suite, and additional laptops across the site with many classrooms having new touch screens added to enhance teaching.

Strategic Report approved and signed on its behalf by



KH Woodward

Chairman

Date 26th Nov. 2019.

Independent Auditor's Report to the members of Halliford School Limited

For the year ended 31 August 2019

Opinion

We have audited the financial statements of Halliford School Limited for the period ended 31 August 2019 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes, 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 2019 and of its profit 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 Auditors' 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.

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 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 governors are responsible for the other information. The other information comprises the information in the Strategic Report and the Governors' Report, but does not include the financial statements and our Auditors' 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.

Opinion 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 Strategic Report and the Governors' Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Governors' Report have been prepared in accordance with applicable legal requirements.

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 Strategic Report or the Governors' Report.

We have nothing to report in respect of the following matters where 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.
- the governors' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the governors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report

Responsibilities of governors

As explained more fully in the Statement of Governors' Responsibilities, the governors (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 governors determine 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 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 governors either intend to liquidate the 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 Auditors' 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 Auditors' Report.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Wills FCA MA
Senior Statutory Auditor
For and on behalf of Haines Watts Kingston LLP
Chartered Accountants
Aissela
46 High Street
Esher
Surrey
KT10 9QY

Date: 26/11/19

Haines Watts Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Halliford School Limited
Statement of Financial Activities
(Including income and expenditure account)
For the year ended 31 August 2019

		2018/19					2017/18
		Unrestricted Funds	Unrestricted Revaluation Reserve	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£	£	£	£	£	£
Notes							
<u>Income and Endowments from</u>							
Donations & Legacies	3a	14,439		6,450		20,889	29,637
Investment Income	3b	9,008		233	180	9,422	3,449
Incoming from charitable activities	3c	6,953,412				6,953,412	6,417,473
Total Incoming Resources		6,976,859	0	6,683	180	6,983,723	6,450,559
<u>Expenditure on Charitable Activities</u>							
School Services	3d	3,611,814		260		3,612,074	3,464,937
Support Costs	3e	2,079,280				2,079,280	1,921,605
Bursaries and Scholarships	3c	521,506				521,506	535,812
Total Resources Expended		6,212,599	0	260	0	6,212,859	5,922,355
Net Income(expenditure) and net movement in funds for the year		764,260	0	6,423	180	770,863	528,205
<u>Transfer between funds</u>							
Gains/(losses) on revaluation of fixed assets		103,330	(103,330)				
Net Movement in Funds		867,590	(103,330)	6,423	180	770,863	528,204
Total Funds brought forward		5,938,991	5,063,188	105,191	98,804	11,206,174	10,677,970
Fund Balances at 31 August 19		6,806,581	4,959,858	111,615	98,984	11,977,037	11,206,174

Halliford School Limited

Balance Sheet

As at 31 August 2019

Company Number 00575324

		2018/19				2017/18
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £	Total £
Notes						
Fixed Assets						
Tangible Assets	5a-b	13,528,241	25,017	0	13,553,258	13,324,064
		<u>13,528,241</u>	<u>25,017</u>	<u>0</u>	<u>13,553,258</u>	<u>13,324,064</u>
Current Assets						
Debtors	5c	187,766			187,766	135,298
Cash at bank and in hand		2,501,401	86,598	98,984	2,686,983	2,034,417
		<u>2,689,167</u>	<u>86,598</u>	<u>98,984</u>	<u>2,874,750</u>	<u>2,169,715</u>
Liabilities						
Creditors: amounts falling due within one year	5d	(1,576,026)	0	0	(1,576,026)	(1,211,000)
Net Current assets		<u>1,113,142</u>	<u>86,598</u>	<u>98,984</u>	<u>1,298,724</u>	<u>958,715</u>
Total assets less current liabilities		<u>14,641,383</u>	<u>111,615</u>	<u>98,984</u>	<u>14,851,982</u>	<u>14,282,779</u>
Creditors: amounts falling due after more than one year	5f	(2,874,943)	0	0	(2,874,943)	(3,076,605)
Total Net Assets		<u>11,766,440</u>	<u>111,615</u>	<u>98,984</u>	<u>11,977,039</u>	<u>11,206,174</u>
Profit and Loss Fund		6,806,581	111,615	98,984	7,017,181	6,142,986
Revaluation Reserve		<u>4,959,858</u>			<u>4,959,858</u>	<u>5,063,188</u>
Funds	5h	<u>11,766,440</u>	<u>111,615</u>	<u>98,984</u>	<u>11,977,039</u>	<u>11,206,174</u>

The Financial Statements were approved by the Board of Governors on 19th November 2019 and signed on its behalf by:


 K H Woodward
 Chairman

Halliford School Limited

Statement of Cash flows

For the year ended 31 August 2019

		2018/19				2017/18
		Unrestricted Funds	Restricted Funds	Endowment Fund	All funds	All funds
		£	£	£	£	£
Cash flows from operating activities:	Note					
Net Cash provided by (used in) operating activities	6a	1,438,956	(16,587)	0	1,422,369	1,356,584
Cash flows from investing activities:						
Proceeds from the sale of property, plant and equipment		0	0	0	0	0
Purchase of property, plant and equipment		(497,463)	(2,240)	0	(499,703)	(456,089)
Interest received		9,008	233	180	9,422	3,449
Net cash provided by (used in) investing activities		(488,455)	(2,007)	180	(490,281)	(452,640)
Cash flows from financing activities:						
Repayments of borrowing (Bank loan and finance lease)		(279,522)	0	0	(279,522)	(324,111)
Cash inflows from new borrowing		0	0	0	0	0
Net cash provided by (used in) financing activities		(279,522)	0	0	(279,522)	(324,111)
Change in cash and cash equivalents in the reporting period		670,979	(18,594)	180	652,565	579,833
Cash and cash equivalents at the beginning of the reporting period	6b	1,830,422	105,191	98,804	2,034,417	1,454,584
Cash and cash equivalents at the end of the reporting period	6b	2,501,401	86,598	98,984	2,686,983	2,034,417

Halliford School Limited

Notes to the Financial Statements

For the year ended 31 August 2019

1. Accounting Policies

a. Basis of Preparation

The financial statements have been prepared in accordance with the 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 January 2015 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Halliford School Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts have been prepared on a going concern basis as there are no material uncertainties surrounding the charitable company's ability to continue as a going concern.

b. Income

Income from charitable activities relates to gross fees charged for the school year ending 31 August 2019.

Donations include equipment purchased by the charitable company but reimbursed by the PTA. Equipment donations are measured at the historical cost of equipment purchased.

c. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the account of the obligation can be measured reliably.

Expenditure on charitable activities relates to tuition costs, support costs including depreciation, school running costs and governance costs, and bursaries and scholarships awarded to students.

d. Tangible Fixed Assets

Tangible assets excluding land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and the costs directly attributable to bringing the asset to its working condition for its intended use. The capitalisation threshold, with the exception of computers, which are treated as a group asset, is £1,000.

Land & buildings

Land and buildings include freehold property and are measured at the most recent valuation less accumulated depreciation and accumulated impairment losses.

A transfer from the revaluation reserve to the profit and loss fund is carried out each year to represent the additional depreciation charged on the uplifted valuation of the property.

Depreciation

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Freehold buildings	50 years
Plant and machinery	5 – 10 years plus a piano being depreciated over 20 years
IT (user interface)	3 years
IT (Servers etc)	5 years
Vehicles	4 years

e. Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument in accordance with the substance of the contractual arrangements entered into.

Trade and other debtors and creditors are classified as basic financial instruments and at initial recognition are measured at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the school will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the school's cash management.

A financial liability in the form of a bank loan is included in creditors due within one year and creditors falling due after more than one year. Bank loans are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. Details of carrying amounts, terms and conditions of the loan, security and interest expensed in the Statement of Financial Activities are included in note 5g.

f. Pension Schemes

Teaching Staff

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £342,869 (2018: £333,166).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). 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 funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Non-Teaching Staff

For non-teaching staff the School contributes 16% of annual basic pay to a stakeholder pension scheme managed by Royal London.

2. Key Sources of Estimation Uncertainty and Judgement

The preparation of financial statements in conformity with the statement of recommended practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

There is estimation uncertainty in calculating the bad debt provision. A full review of fees receivable is carried out by management regularly. Whilst every attempt is made to ensure that the bad debt provision is as accurate as possible, there remains a risk that the provisions do not match the debts that prove to be ultimately irrecoverable.

There is estimation uncertainty in calculating depreciation. A full line by line review of fixed assets is carried out by management. Whilst every attempt is made to ensure that the depreciation policy is as accurate as possible, there remains a risk that the policy does not match the useful life of assets and that estimates for residual amounts recoverable may differ.

3. Statement of Financial Activities – Unrestricted Funds

Income and Endowments from

a. Donations & Legacies

Donations to Unrestricted Funds reflect the purchase of additional equipment provided through the Friends of Halliford School – PTA. Events organised by the PTA such as a Race Night in November, a Quiz night in February and a Summer Ball in June which was held in a marquee within the Sports Hall, raised funds to support equipment for the Music Department and funding for the Sixth Form Leavers Hoodies.

b. Investment Income

Represents the interest earned on Funds.

c. Unrestricted Income from Charitable Activities

This represents school fees receivable and other educational income.

	2019 £	2018 £
The School's fee income comprises:		
Gross Fees	6,524,958	6,045,685
Less bursaries, scholarships and staff discounts	(521,506)	(535,812)
	6,003,453	5,509,873
Bursaries	379,928	429,195
Scholarships	51,718	48,148
Staff Discounts	89,860	58,469
Total	521,506	535,812
Other Educational Income		
Catering	287,668	258,982
Coach Service	131,763	111,082
Rental Income	6,792	1,724
Insurance Reciepts	2,231	0
Total	428,454	371,788
Unrestricted Income from Charitable Activities	6,953,412	6,417,473

Expenditure on Charitable Activities

d. Unrestricted School Services (Tuition)

	2019	2018
	£	£
Personnel Costs	3,001,988	2,957,024
Other Costs	609,826	507,723
School Services	3,611,814	3,464,747

	2019	2018
Personnel Costs		
Salaries	2,407,116	2,370,745
NI	252,002	253,113
Pension Contributions	342,869	333,166
Total	3,001,988	2,957,024

	2019	2018
Staff Numbers - FTE		
Academic Teaching	47	49
Academic Support	7	8
Total	54	57

	2019	2018
Staff Numbers – Average Number Employed		
Full Time	59	61
Part Time	7	6
Total	66	67

	2019	2018
Other Costs		
Staff Related Costs	15,356	6,861
Departmental Resources	218,577	187,611
School Events	21,337	11,217
IT Related Costs	142,803	81,221
Transport Related Costs	206,139	206,410
Pupil Related Costs	5,615	14,403
Total Other Costs	609,826	507,723

Cost of key management personnel (Senior Management Team) included above is £506,930 (2018: Restated at £596,282). The prior year figure has been restated to include employer's national insurance and employer's pension contributions.

The following number of employees received benefits totalling between:

	2019	2018
£60,000 and £70,000	2	1
£70,001 and £80,000	-	-
£80,001 and £90,000	-	-
£90,001 and £100,000	1	1

e. Support Costs

	2019	2018
	£	£
Personnel Costs	731,039	651,224
Other Costs	1,348,241	1,270,381
Total School Service Costs	2,079,280	1,921,605
Staff Numbers - FTE	2019	2018
Domestic	8	8
Property	2	1
General	12.7	11
Total	23	20
Staff Numbers – Average Number Employed	2019	2018
Full Time	14	11
Part Time	14	16
	28	27
Personnel Costs - Domestic	2019	2018
Salaries	248,220	227,087
NI	13,433	10,664
Pension Contributions	29,463	29,309
Total Domestic	291,116	267,060
Personnel Costs – General	2019	2018
Salaries	314,178	279,753
NI	29,236	26,089
Pension Contributions	49,642	45,593
Total Admin	393,055	351,435
Personnel Costs - Property	2019	2018
Salaries	38,205	27,822
NI	3,800	2,694
Pension Contributions	4,863	2,213
Total Property	46,868	32,729
Total Personnel Costs	731,039	651,224
Other Costs	2019	2018
Catering Costs	126,335	123,053
Grounds and Property Maintenance	400,162	335,578
Property Supplies and Equipment	48,573	69,274
Admin Resources, Equipment and Marketing	190,224	164,744
Service Costs	171,046	219,444
Staffing and Recruitment Costs	23,833	50,591
Depreciation	364,973	291,737
Auditors remuneration:		
Statutory audit	18,070	15,960
Assurance services other than audit	1,095	
Other financial services	3,930	
Total Other Costs	1,348,241	1,270,381

4. Movement in Funds

A detailed breakdown of the movement of the Endowment Funds and the Restricted Funds is shown below:

	Balance at 31 Aug 18	Incoming Resources	Resources Expended	Balance at 31 Aug 19
Endowment Funds				
Endowment Funds	98,804	180	0	98,984
Total Endowment Funds	98,804	180	0	98,984
Bursary and Scholarships				
A.J. Vincent	71,087	139	0	71,226
Restricted Donations				
Music department	25,000	6,326	0	31,326
Prizes and Awards				
A. Hitchens - Memorial	2,549	5	20	2,534
Guy Valadon - Single Science	1,247	2	20	1,229
J Hobbs - Memorial	1,309	3	20	1,292
John Crook	1,090	2	20	1,072
John Lewis – History	176	0	20	156
Ken Russell - Trophy	171	0	20	151
Neil Jones – Memorial Fund	139	0	20	119
Norma Cook – Senior Latin	240	0	20	220
Peacock – Latin	532	1	0	533
Peter Groves – Chemistry	555	1	0	556
Wendy Simmons – MFL	456	1	20	437
Bahadur Sunderji – Further Maths	180	0	20	160
Crosby - Maths Prize	426	1	20	407
Valerie Brooking - History Prize	35	0	20	15
Oliver Griffin - Government and Politics	0	200	20	180
Total Prizes and Awards	9,105	218	260	9,063
Total Restricted Funds	105,191	6,683	260	111,615

5. Balance Sheet

a. Fixed Assets

	Freehold land & Buildings £	Equipment & Furniture £	ICT £	Motor Vehicles £	Unrestricted Funds £	Restricted Funds £	Total Funds £
COST/VALUATION							
At 01/09/2018	13,174,338	553,289	408,393	14,394	14,150,414	0	14,150,414
Additions	319,201	115,423	134,527	0	569,150	25,017	594,167
Disposals	0	0	(98,909)	0	(98,909)	0	(98,909)
Revaluation							
At 31/08/2019	13,493,539	668,712	444,010	14,394	14,620,655	25,017	14,645,672
DEPRECIATION							
At 01/09/2018	250,000	319,888	242,268	14,194	826,351	0	826,351
Charge for the year	264,957	45,881	54,135	0	364,973	0	364,973
Elimination on disposal	0	0	(98,909)	0	(98,909)	0	(98,909)
Revaluation adjustment							
At 31/08/2019	514,957	365,769	197,494	14,194	1,092,414	0	1,092,414
NET BOOK VALUE							
At 31/08/2019	12,978,583	302,943	246,516	200	13,528,241	25,017	13,553,258
	12,978,583	302,943	246,516	200	13,528,241	25,017	13,553,258
At 31/08/2018	12,924,338	233,400	166,125	200	13,324,063	0	13,324,063
	12,924,338	233,400	166,125	200	13,324,063	0	13,324,063

b. Fixed Asset Disclosures

Freehold Land and buildings

The Land and Buildings were revalued in August 2017 by Cluttons LLP based on the fair value at which they could be exchanged, between knowledgeable, willing parties in an arm's length transaction. Their valuations are:

Land (£)	450,000
Buildings (£)	12,500,000

If freehold land and buildings had not been revalued it would have been included at the following values:

	2019	2018
	£	£
Aggregate Historic Cost	8,327,021	8,007,820
Aggregate accumulated depreciation	2,045,116	1,881,336
Aggregate carrying amount	6,281,905	6,126,485

The property was purchased in 1956. Depreciation has only been charged on the property since the year ended 31 August 2002 in the financial statements, therefore the above calculations are based on depreciation charged from this date.

ICT

Included in ICT are fixed assets held under two finance leases. Total net book value of assets held under finance leases is £164,244 (2018: £104,670). See note 8.

Motor Vehicles

Whilst the School has the use of 4 minibuses only one is owned by the school and therefore reflected in the balance sheet. Having reached the end of its economic life this was reduced to a residual value of £200 in 2008/09.

c. Debtors

	2019	2018
	£	£
Fees Receivable	44,761	17,259
Other Debtors	0	25,188
Prepayments/Accrued Income	143,005	92,851
	187,766	135,298

d. Creditors - Amounts falling due within one year

	2019	2018
	£	£
Deferred Income	217,196	334,301
Accrued Expenses	125,426	106,466
Trade Creditors	376,584	162,144
Taxation and Social Security	76,594	0
Other Creditors	549,093	376,956
Bank loan (Note 5g)	231,133	231,133
	1,576,026	1,211,000

e. Deferred Income

Deferred income comprises fees paid upfront relating to the year ended August 2019.

	2019	2018
	£	£
Balance as at 1 st September 2018	334,301	194,697
Amount released to income from charitable activities	(334,301)	(194,697)
Amount deferred in year	217,196	334,304
Balance as at 31 st August 2019	217,196	334,301

f. Creditors – Amounts falling due after more than one year

	2019	2018
	£	£
Other Creditors	101,343	71,872
Bank loan (Note 5g)	2,733,600	3,004,733
	2,874,943	3,076,605

g. Financial Instruments

Amounts repayable by instalments are as follows:

	2019	2018
	£	£
Bank loan payable (falling due within one year)	231,133	231,133
Bank loan payable (falling due in more than one year but less than 5 years)	924,532	924,532
Bank loan payable (falling due in more than 5 years)	1,849,068	2,080,201
Total	3,004,733	3,235,866

The total bank loan is secured on the School premises which has a carrying value of £12,978,583 at 31 August 2019 and all the assets of the company. If any event of default specified in the terms occurs, then the bank may demand immediate repayment of the loan, all interest accrued and all other sums payable.

The School has one loan with NatWest Bank for £3,467,000 which commenced in August 2018 and will be repaid over 15 years. Interest is accrued at a variable rate of 2.3% above the base rate. Interest costs recognised in 2018/19 relating to this loan totalled £96,065 (2018: £92,977).

h. Reconciliation of Funds

The School's funds are considered below.

	Unrestricted Funds: Profit and loss fund £	Unrestricted Funds: Revaluation Reserve £	Restricted Funds £	Endowment Funds £	2019 Total £	2018 Total £
Balance at 1 st Sept 2018	5,938,991	5,063,188	105,191	98,804	11,206,174	10,677,970
Net Movements in year	764,260		6,423	180	770,863	528,204
Transfer in the year	103,330	(103,330)	0	0	0	0
Revaluation Adjustment						
Balance at 31 st Aug 2019	6,806,581	4,959,858	111,615	98,984	11,977,037	11,206,174

Unrestricted funds represent accumulated income from the School's activities and other sources less expenditure that are available for the general purpose of the School.

Restricted funds represent donations received from external donors, which are used for prizes and awards each year.

A Declaration of Trust established the Endowment Fund in 1968. This Trust fund is a permanent endowment that is the capital of the Trust fund and cannot be spent, only the income accrued on the capital sum.

6. a. Reconciliation of net movement in funds to net cash from operating activities

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2019 £	2018 £
Net income/(expenditure)	764,260	6,423	180	770,863	569,942
<i>Adjustments for:</i>					
Depreciation Charges	364,973	0	0	364,973	291,737
Interest included in repayments of borrowing (Bank loan and finance lease)	110,540	0	0	110,540	92,977
Interest received included in investing	(9,008)	(233)	(180)	(9,422)	(3,449)
Loss/(profit) on the sale of fixed assets	0	0	0	0	0
Increase in finance lease assets	(71,687)	(22,777)	0	(94,464)	(104,670)
(Increase)/Decrease in debtors	(52,468)	0	0	(52,468)	74,162
Increase/(Decrease) in creditors	332,347	0	0	332,347	477,622
Net cash provided by (used in) operating activities	1,438,956	(16,587)	0	1,422,369	1,398,321

6. b. Analysis of cash and cash equivalents

	Unrestricted Funds	Restricted Funds	Endowment Fund	2019	2018
	£	£	£	£	£
Cash in hand	2,501,401	86,598	98,984	2,686,983	2,034,417
Total cash and cash equivalents	2,501,401	86,598	98,984	2,686,983	2,034,417

7. Operating Leases

The total future minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	45,394	45,394
Between one and five years	16,140	63,198
More than five years	0	0
Total Operating Leases	61,534	108,592

The total operating lease expenditure included in the Statement of Financial Activities is £45,394 (2018: £45,394).

8. Finance Leases

The total future minimum lease payments under non-cancellable finance leases fall due as follows:

	2019	2018
	£	£
Within one year	81,443	43,636
Between one and five years	112,464	83,636
More than five years	0	0
	193,907	127,272
Less finance charges	30,722	26,239
	163,185	101,034

During the year the school entered into an additional three year finance lease for the use of ICT equipment with an option to purchase the equipment at the end of the lease. Total carrying amount of fixed assets held under both finance leases are disclosed in note 5b. The finance lease liability for both is included in other creditors. In the event of a default, the lessor of the two financial leases for the use of the IT equipment have the right to recover all periodic rental in arrears and demand the prompt return of the equipment.

9. Transactions with Related Parties

There was no remuneration paid to the Governors in the year (2018: Nil), nor expenses paid then reimbursed to Governors (2018: Nil). During the prior year one of the Governors of Halliford School Limited donated £25,000 for use by the music department. There were no other related party transactions in the current or prior year.

10. Legal Status

The charity is a company limited by guarantee registered in England and Wales and has no share capital. 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. The charitable company's registered office is included on page 3.