

**CHARITY
COMMISSION
COPY**

**REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020
FOR
HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

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for the year ended 31 August 2020

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HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION
for the year ended 31 August 2020

GOVERNORS:	P J Humphries-Cuff - Chair M R J Piper Mrs N Botterill (resigned 10/07/20) C Bromfield R W Hook B H Miller Mrs J E A Stevens J E J Sidders R S Oliver - Treasurer
HEADTEACHER:	D W T Sibson
BURSAR:	Mrs R Brodie
REGISTERED OFFICE:	Haybrook House Marlborough Road Pewsey SN9 5NT
REGISTERED NUMBER:	2164880 (England and Wales)
REGISTERED CHARITY NUMBER:	298522
AUDITORS:	Fawcetts LLP Chartered Accountants and Statutory Auditors Windover House St Ann Street Salisbury SP1 2DR
SOLICITORS:	Thrings 6 Drakes Meadow Penny Lane Swindon SN3 3LL
BANKERS:	HSBC Bank plc 8 London Street Basingstoke RG21 7NU

**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE GOVERNORS
for the year ended 31 August 2020**

The Governors present their annual report, together with their Strategic Report, and the audited financial statements of the company for the year ended 31 August 2020 and confirm they comply with the Charities Act 2011, the governing document and the Charities SORP 2015 (FRS 102).

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of the provision of facilities for the education of boys and girls through St Francis School, Pewsey.

GOVERNING DOCUMENT

The School is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

ORGANISATION

The Governors, who are also the Charity Trustees and the Directors of the Company, determine the general policy of the School. The management of the School is delegated to the Headmaster and Bursar.

POLICY

The School's policy is to encourage each pupil to reach their potential whilst allowing pupils to benefit from our wide extra curricular programme. This aims to develop other interests and prepare them for the senior school of their, and their parents', choice.

GOVERNORS

The Governors of the Company who served during the year ended 31 August 2020 are as shown on page 1. The Governors are the members of the Company.

The Board of Governors is a self appointed body.

GOVERNORS' INDUCTION AND TRAINING

New Governors are provided with the St Francis governors' induction pack which includes copies of the Memorandum and Articles of Association, latest annual report and financial statements, current annual budget, School development plan, minutes of the last three Governors' meetings, Guidance for Trustees and Governors published by the Charity Commission and the Independent Schools Council and copies of the School prospectus and publications. New Governors are given a conducted inspection of the School's facilities and meet individually with the Chairman of Governors. All Governors are encouraged to attend appropriate external training seminars and conferences.

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2019-2020

The school, which educates children between the ages of 0 and 13 years, aspires to provide a happy, safe and stimulating environment in which each child can develop their own individual abilities to their fullest extent. There were 265 children (including 85 in the Nursery) on roll at the end of the academic year in July 2020.

As a matter of policy, the school provides financial assistance to broaden access to as wide a customer base as possible. During 2019-2020 a total of £96,290 was awarded in scholarships and community bursaries to 26 pupils or 14.4% of the main school population.

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**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE GOVERNORS
for the year ended 31 August 2020**

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REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2019 – 2020 continued

The academic year 2019-2020 can be broken into two halves: half a year of normality followed by half a year of disruption and difference because of the requirements to follow government guidance in the wake of the COVID-19 pandemic, including enforced school closure. Whilst many of the usual activities (such as drama productions, music concerts, day and residential educational and recreational trips) could not take place, the School rose to the challenges which it faced.

The skills, values, attitudes and behaviours of our pupils, parents and staff were certainly tested. However our pupils and teachers rose to the challenge by displaying and developing their core CLICK skills (Collaboration, Leadership, Independence, Challenge and Kindness) so acutely, skills which embed the School's learning ethos. They all learned to collaborate in a different way by adapting to the use of video conferencing technology for registration sessions, assemblies, lessons and tutorials. Pupils showed great examples of leadership and independence in the way they took more ownership of their work during lockdown and produced assignments in such imaginative and creative ways. Pupils and teachers alike adapted quickly and competently to using technology, adapting to the online learning platform provided by Google Suite for Education and making great strides in their digital competency.

Once lockdown was gradually eased during the second half of the Summer Term, and pupils were allowed back onto the School site in their year groups, every pupil had the opportunity to be back at school to spend time re-engaging in person with their friends and peers, as well as with their teachers. This included a week of leavers' activities for our Year 8 pupils.

Credit certainly goes to the School's team of teachers, for the way in which they adapted their practice, embraced new technology and skills, and quickly developed new ways to maintain their responsibility of educating and caring for the pupils. This was on top of responding to all of the protocols which were required to ensure that the School and Nursery were safe and healthy places to be in the midst of a pandemic.

The Nursery continued to thrive in its new building, and with its new structure of being open for a wider age range, for full days, 51 weeks each year. The challenges of reopening in June after the lockdown were met by establishing outdoor 'rooms' around the school site to provide as many opportunities as possible to be in the fresh air.

Before the requirement to respond to the implications of the COVID-19 pandemic, the School celebrated a number of achievements in the first half of the academic year.

A new Management Information System was launched in September 2019. A new dedicated fibre link was installed which increased the School's broadband speed, critical for the development of the use by pupils of Chromebooks in their learning environments. All servers were replaced with brand new ones and investment was made in a further bank of Chromebooks for pupil use.

A most notable achievement was the academic drive and aspiration of the Year 8 pupils who entered for no less than 12 senior school scholarships across a broad range of disciplines. Three pupils were recognised by their senior schools with awards: an academic scholarship to Marlborough College; an art scholarship to Warminster School, and a sports scholarship to Godolphin. Once again, pupils were prepared for a broad range of senior schools including Godolphin, Marlborough College, Monkton Combe, Pangbourne, St Gabriel's, St Mary's Calne, Warminster and Westonbirt.

All of our Year 6 11+ applicants were successful in gaining places in their chosen senior independent schools (Dauntsey's, Godolphin, and Warminster) and there was further academic success in the Year 6 and Year 7 pre-assessments for 13+ entry into senior school, with places secured at Godolphin, St Mary's Calne and Marlborough College.

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**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE GOVERNORS
for the year ended 31 August 2020**

Continued from page 3

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2019 – 2020 continued

The school continued to employ the Pre-Senior Baccalaureate as a key component of its Learning Ethos. The CLICK Learning Ethos has been rebranded and relaunched, using the personification of animals to help pupils remember and understand the core skills. World Kindness Day in November 2019 was marked by holding one of the School's termly 'CLICK Days' when pupils are grouped to work collaboratively in mixed-age classes to do a range of 'off-timetable' activities.

Following the success of the trial of STEAM (Science, Technology, Engineering, Art, Maths) lessons last year as an option for Years 7 & 8 pupils, STEAM lessons were added to the timetables of all pupils in Years 5 and above.

On the sports front, the School enjoyed continuing success in addition to the regular fixtures: in cross country, our teams of Year 5 boys and Year 5 girls were runners-up at the Moyles Court School Event, then winners at the Claysmore School event; several pupils continue to represent the County at cricket, hockey and tennis; two pupils were medal winners in the IAPS National Judo Championships; eight pupils qualified for the British National Modern Biathlon Championships; and in the Wiltshire Youth Fencing Championships (which were once again hosted at the school) four pupils were medal winners (one gold, one silver and two bronze).

The limitations to the usual broader life of the school brought about by the pandemic certainly made the School community aware of those usual events which are taken for granted. These include whole school events which involve the whole community of pupils, parents and staff such as the Last Choir Standing Competition. On the wider music front, we also benefited this year from many performances at a variety of events in the first half of the year from five Year 8 musicians who added a school jazz band to the list of music ensembles. The hard work in rehearsals in preparation for drama/musical productions was in vain as the pandemic prevented our older pupils from performing 'Hookwinked' (Year 6) and 'School of Rock' (Years 7 & 8). This was the same situation for pupils who had prepared for their LAMDA drama exams and performances, and for their English Speaking Board assessments.

Our Forest School, rebranded as 'Kindling Forest School', was recognized through a Gold Award from the Woodland Trust for our involvement in green activities including tree planting, reducing carbon emissions and recycling.

A revised and updated version of the School's Vision, Mission, Values, and Aims was launched and embedded during the academic year, as was 'Project Wheatsheaf', a programme led by the Senior Leadership Team to analyse costs (looking at both reducing expenditure and increasing income) by establishing a number of work streams, within which a series of projects were determined.

One of these 'projects' was to realise a long-term goal of the School to establish provision for working parents through offering a Holiday Camp during the longer holiday and half terms breaks. A trial of four weeks was provided in the summer holidays, offering a range of themed activities. The 'camps' proved to be very well-supported and were very popular with children and their parents alike.

Examples of works from an Estates point of view include the continuing of the redecoration programme in the inside of the Hemery Hall, and the corridors and stairwell of the Burden Building. All doors on the south side of the Hemery Hall (four changing rooms, the Sports Office and the Boiler Room) were also replaced with white aluminium doors to match the recently installed main doors to the building.

The Friends of St Francis (the parents' association) continued to support the school through fun-raising and fund-raising. As well as running events, when possible, their main focus was on fundraising to establish a special Memorial Garden in the grounds of Haybrook House in memory of a much-loved Pre-Prep teacher who died unexpectedly in post in March 2019.

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**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE GOVERNORS
for the year ended 31 August 2020**

Continued from page 4

REVIEW OF ACTIVITIES, DEVELOPMENTS AND ACHIEVEMENTS 2019 – 2020 continued

The School was also successful in applying for funding which had become available since the winding up of the Jack Rabbit Foundation, a charity set up in memory of a former Nursery pupil who died at the age of three. At the request of the charity, the funding is aimed at providing swimming lessons and first aid courses particularly for our younger pupils.

The fact that the school is usually very much part of the community was highlighted this year because of the pandemic's limitations on our ability to make available our classrooms and sports facilities to local groups, and to hire them to various adult sporting groups and art groups, as well as to children's sports clubs and county squads. In the first half of the academic year (pre-pandemic), a number of local community groups continued to enjoy use of the School's facilities at a reduced charge, or at no charge.

As well as its usual on-going fundraising for a range of charities through pupil involvement (including the Trussell Trust Devises Food Bank; the Royal British Legion; World Wildlife Fund; Children in Need, Tusk Force, Wiltshire Air Ambulance; Save the Children), the school provided local and international support by sponsoring the Marlborough Literature Festival and the Marlborough College Music Concert series, as well as supporting St Michael's Girls' School in Busembati, Uganda by funding the Librarian and through a Pupils' Christmas Shop. This year the School's Christmas Fair (organised by the Friends of St Francis) raised a considerable donation for Cancer Research.

FUTURE PLANS

The School is working with the Friends of St Francis to raise funds to establish a Multi-Sports Surface and all-weather outdoor cricket nets as a way of marking the School's 80th Anniversary in the academic year 2021-22. Work will be undertaken to completely replace and upgrade the School's Wi-Fi infrastructure to prepare for the future when pupils in Years 4 and above will be using their own Chromebooks. This will allow the successful roll-out of the School's digital strategy, ensure pupils are preparing for their futures effectively through the use of technology, and guarantee that ICT is fully embedded across all curricular areas. The school's website will also take on a new look and be upgraded.

THE FINANCIAL RESULTS

The financial statements for the year show net incoming resources of £5,439 compared with net outgoing resources of £55,996 last year.

INVESTMENT POWERS

These are governed by the Memorandum and Articles which permit surplus funds to be invested in any lawful enterprise that is approved by the Charity Commissioners.

RESERVES POLICY

The school does not carry free funds. It is the policy of the governors to apply any operating surplus to the development and improvement of the fabric and facilities of the school.

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HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

REPORT OF THE GOVERNORS
for the year ended 31 August 2020

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STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of the company for the purposes of company law and trustees of the charity for the purposes of charity law) are responsible for preparing the Report of the Governors (including the Strategic 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 those 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 accounting 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 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Governors are aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Governor has taken all the steps that he or she ought to have taken as a Governor in order to make himself or herself aware of any relevant information and to establish that the company's auditors are aware of that information.

AUDITORS

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

ON BEHALF OF THE BOARD OF GOVERNORS:

The governors (in their capacity as directors of the company and trustees of the charity) approve the Report of the Governors and the Strategic Report for the year ended 31 August 2020.

ON BEHALF OF THE GOVERNORS:


.....
P Humphries-Cuff – Chair - Governor

Dated 09/06/2021

**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HAYFRAN TRUST**

Opinion

We have audited the financial statements of Hayfran Trust (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 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 other information comprises the information included in the Report of the Governors, (including Strategic Report), other than the financial statements and our Report of the Auditors thereon. The Governors are responsible for the other information. 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 Report of the Governors, which includes the Report of the Directors and the 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 Report of the Directors included within the Report of the Governors have been prepared in accordance with applicable legal requirements

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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAYFRAN TRUST

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Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors included within the Report of the Governors.

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 Statement of Governors' Responsibilities set out on page six, the Governors (who are also directors of the charitable company for the purposes of company law and trustees of the charity for the purposes of 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

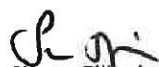
Auditor's responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

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 a Report of the Auditors 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.

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 Report of the Auditors.



Simon Ellingham FCA DChA (Senior Statutory Auditor)

for and on behalf of Fawcetts LLP

Chartered Accountants

and Statutory Auditors

Windover House

St Ann Street

Salisbury SP1 2DR

Dated: 14 June 2014

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

for the year ended 31 August 2020

		<u>2020</u>			<u>2019</u>
	Notes	Unrestricted fund School £	Other £	Restricted fund £	Total £
INCOME AND ENDOWMENTS FROM:					
Income from:					
Charitable activities					
Fees receivable	2	2,319,285	-	-	2,319,285
Other income	3	192,315	-	-	192,315
Donations and legacies		26,370	-	32,430	58,800
Trading activities		-	12,418	-	12,418
Total income		<u>2,537,970</u>	<u>12,418</u>	<u>32,430</u>	<u>2,582,818</u>
EXPENDITURE					
Expenditure on:					
Charitable activities					
School operating costs		2,561,078	-	3,305	2,564,383
Trading expenses		-	12,996	-	12,996
Total expenditure	5	<u>2,561,078</u>	<u>12,996</u>	<u>3,305</u>	<u>2,577,379</u>
NET (EXPENDITURE)/INCOME		(23,108)	(578)	29,125	5,439
Fund balances at 1 September 2019		<u>1,591,431</u>	<u>87,667</u>	<u>81,832</u>	<u>1,760,930</u>
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2020		<u>1,568,323</u>	<u>87,089</u>	<u>110,957</u>	<u>1,766,369</u>

CONTINUING OPERATIONS

None of the charitable company's activities were acquired or discontinued during the current and previous years.

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE
(A COMPANY LIMITED BY GUARANTEE – COMPANY NUMBER 2164880)

BALANCE SHEET
31 August 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		1,970,090		2,108,019
CURRENT ASSETS:					
Stocks	7	33,070		36,098	
Debtors	8	48,484		72,463	
Cash at bank and in hand		<u>657,587</u>		<u>379,353</u>	
		739,141		487,914	
CREDITORS: Amounts falling due within one year	9	<u>544,228</u>		<u>436,408</u>	
NET CURRENT ASSETS:			<u>194,913</u>		<u>51,506</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			2,165,003		2,159,525
CREDITORS: Amounts falling due after more than one year	10		<u>(398,634)</u>		<u>(398,595)</u>
			<u>1,766,369</u>		<u>1,760,930</u>
FUNDS:					
Unrestricted funds			1,655,412		1,679,098
Restricted fund	16		<u>110,957</u>		<u>81,832</u>
	17		<u>1,766,369</u>		<u>1,760,930</u>

These accounts were approved and authorised for issue by the Governors on 09.06.21 and were signed on their behalf by:


P Humphries-Cull – Chair – Governor


R S Oliver – Treasurer – Governor

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

CASH FLOW STATEMENT
for the Year Ended 31 August 2020

	Notes	2020 £	2019 £
Net cash provided by operating activities	1	289,484	25,211
Cash flows from investing activities:			
Purchase of tangible assets		(20,567)	(66,641)
Net cash (used in) investing activities		(20,567)	(66,641)
Cash flows from financing activities:			
Loan repayments		(40,683)	(37,883)
New loan in year		50,000	-
Net cash (used in)/provided by financing activities		9,317	(37,883)
Change in cash and cash equivalents in the year		278,234	(79,313)
Cash and cash equivalents at 1 September 2019		379,353	458,666
Cash and cash equivalents at 31 August 2020	2	657,587	379,353

The notes form part of these financial statements

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2020

1. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net incoming/(outgoing) resources	5,439	(55,996)
Depreciation charges	155,272	155,349
Loss on disposal of assets	397	-
Decrease/(Increase) in stocks	3,028	(921)
Decrease in debtors	26,806	428,901
Increase/(Decrease) in creditors	<u>98,542</u>	<u>(502,122)</u>
Net cash provided by operating activities	<u><u>289,484</u></u>	<u><u>25,211</u></u>

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	<u>657,587</u>	<u>379,353</u>
	<u><u>657,587</u></u>	<u><u>379,353</u></u>

HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

General information and basis of preparation

Hayfran Trust is a company limited by guarantee incorporated and registered in England and Wales. The school constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP 2015 (FRS 102)), the Charities Act 2011 and the Companies Act 2006.

The Governors have considered the financial position of the School and expected future pupil numbers, together with the consequences of the Coronavirus (COVID-19) outbreak, and confirm that the School remains a going concern. The financial statements, therefore, continue to be prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in Sterling (£) which is the functional currency of the charitable company.

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

Funds

The School's funds consist of unrestricted and restricted amounts. The School may use unrestricted amounts at its discretion. Designated funds comprise unrestricted funds that have been set aside for particular purposes. Restricted funds can only be used for a particular purpose as specified by the donor.

Incoming resources

The income and net incoming resources are attributable to the one principal activity of the charitable company.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the school.

Donations, legacies and fund accounting

Donations and legacies received for the general purposes of the school are included as unrestricted funds. Donations and legacies for activities restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors.

Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA. The irrecoverable element of VAT is included with the item of expense to which it relates.

Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of tangible fixed assets, less their estimated residual values, over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

1. ACCOUNTING POLICIES continued

Tangible fixed assets continued

Freehold property	- 2% on cost
Property improvements	- at varying rates between 2.5 and 14.33% on cost
Plant and equipment	- at varying rates between 10% and 33.33% on cost
Motor vehicles	- 25% on cost
Nursery unit	- at varying rates between 4% and 33.33% on cost

Pension costs

The School's teaching staff have the option to be members of a pension scheme which is operated by the Teachers' Pensions Scheme. This is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the scheme on a consistent and reliable basis and therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. Contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable. For non-teaching staff, the School contributes to a defined contribution group personal pension plan.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Debtors are measured at their recoverable amount.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is a registered charity and, as such, is not liable to corporation tax.

Financial instruments

The School only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Government grants and Covid-19

The charity has received support from the UK Government as part of a package of measures introduced to support businesses during the coronavirus pandemic. Government grants are recognised in the financial statements in the period in which they become receivable.

2. FEES

	2020 £	2019 £
Fees receivable consist of:		
Gross fees	2,710,515	2,714,255
Less: Total bursaries, grants and allowances	<u>(391,230)</u>	<u>(241,178)</u>
	<u>2,319,285</u>	<u>2,473,077</u>

HAYFRAN TRUST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

3. SUNDRY AND OTHER INCOME

	2020	2019
	£	£
Sundry income	28,877	48,623
Coronavirus Job Retention Scheme	<u>163,438</u>	<u>-</u>
	<u>192,315</u>	<u>48,623</u>

4. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,643,399	1,653,773
Social security costs	131,212	134,487
Other pension costs	<u>218,794</u>	<u>167,415</u>
	<u>1,993,405</u>	<u>1,955,675</u>

The average monthly number of employees during the year, calculated on a full time equivalent basis, was as follows:

	2020	2019
Teaching	44	44
Non teaching	<u>17</u>	<u>17</u>
	<u>61</u>	<u>61</u>

During the year there were termination payments made which amounted to £69,096 (2019 - £Nil).

The key personnel of the school comprise the Governors, the Head and the Bursar. The total remuneration of the key management personnel was £159,130 (2019 - £156,584). None of the Governors nor persons connected with them received any remuneration, expenses or other material benefits from the School or any connected organisation (2019 - £Nil).

	2020	2019
	No.	No
The number of employees whose emoluments exceeded £60,000 was:		
£80,001 - £90,000	<u>1</u>	<u>1</u>

The number of higher paid staff to whom retirement benefits were accruing was as follows:

	2020	2019
	No.	No.
Defined benefit schemes	<u>3</u>	<u>3</u>

HAYFRAN TRUST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Support costs £	Depreciation £	2020 Total £	2019 Total £
Charitable activities:					
School operating costs:					
Teaching costs	1,636,077	75,414	24,789	1,736,280	1,706,325
Welfare	80,547	69,092	-	149,639	182,747
Premises	80,503	151,204	118,089	349,796	350,776
Management and administration	<u>196,278</u>	<u>100,109</u>	<u>12,394</u>	<u>308,781</u>	<u>348,349</u>
	1,993,405	395,819	155,272	2,544,496	2,588,197
Governance costs	-	10,080	-	10,080	8,200
Costs of generating funds:					
Finance and other costs	<u>-</u>	<u>9,807</u>	<u>-</u>	<u>9,807</u>	<u>12,025</u>
	1,993,405	415,706	155,272	2,564,383	2,608,422
Trading costs	-	12,996	-	12,996	15,450
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total resources expended	<u>1,993,405</u>	<u>428,702</u>	<u>155,272</u>	<u>2,577,379</u>	<u>2,623,872</u>

6. TANGIBLE FIXED ASSETS

	Freehold property	Property improvements	Plant and equipment	Nursery unit	Motor vehicles	Totals
	£	£	£	£	£	£
COST:						
At 1 September 2019	489,602	2,100,245	496,964	601,151	15,158	3,703,120
Additions	-	10,650	9,917	-	-	20,567
Disposals	<u>-</u>	<u>-</u>	<u>(46,710)</u>	<u>(2,827)</u>	<u>-</u>	<u>(49,537)</u>
At 31 August 2020	<u>489,602</u>	<u>2,110,895</u>	<u>460,171</u>	<u>598,324</u>	<u>15,158</u>	<u>3,674,150</u>
DEPRECIATION:						
At 1 September 2019	265,883	855,407	403,187	55,466	15,158	1,595,101
Charge for year	9,792	78,781	37,184	29,515	-	155,272
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(45,465)</u>	<u>(848)</u>	<u>-</u>	<u>(46,313)</u>
At 31 August 2020	<u>275,675</u>	<u>934,188</u>	<u>394,906</u>	<u>84,133</u>	<u>15,158</u>	<u>1,704,060</u>
NET BOOK VALUE:						
At 31 August 2020	<u>213,927</u>	<u>1,176,707</u>	<u>65,265</u>	<u>514,191</u>	<u>-</u>	<u>1,970,090</u>
At 31 August 2019	<u>223,719</u>	<u>1,244,838</u>	<u>93,777</u>	<u>545,685</u>	<u>-</u>	<u>2,108,019</u>

HAYFRAN TRUST
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

7. STOCKS		
	2020	2019
	£	£
School uniform	<u>33,070</u>	<u>36,098</u>
8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Trade debtors	7,206	43,240
Other debtors	20,022	1,500
Prepayments and accrued income	<u>21,256</u>	<u>27,723</u>
	<u>48,484</u>	<u>72,463</u>
9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2020	2019
	£	£
Bank loans and overdrafts (see note 14)	40,683	38,955
Trade creditors	31,136	54,391
Social security and other taxes	48,455	33,288
Other creditors	34,163	32,256
Deferred income	327,505	260,984
Accrued expenses	<u>62,286</u>	<u>16,534</u>
	<u>544,228</u>	<u>436,408</u>
10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	2020	2019
	£	£
Bank loans (see note 14)	316,934	309,345
Fee deposits	<u>81,700</u>	<u>89,250</u>
	<u>398,634</u>	<u>398,595</u>
11. NET OUTGOING RESOURCES		
Net outgoing resources are stated after charging:		
	2020	2019
	£	£
Depreciation - owned assets	155,272	155,349
Operating lease rentals	15,300	15,073
Auditors' remuneration - audit	8,250	7,500
- previous year audit under provided fee	880	-
- other services	<u>750</u>	<u>500</u>
12. OPERATING LEASE COMMITMENT		
The total future minimum payments due on leases expiring:	2020	2019
	£	£
Equipment and motor vehicles		
Expiring:		
Between one and five years	<u>15,434</u>	<u>29,606</u>

**HAYFRAN TRUST
A COMPANY LIMITED BY GUARANTEE**

**INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2020**

13. PENSION COMMITMENTS

The teaching staff have the option to be members of a defined benefit pension scheme operated by Teachers' Pensions. The School also operates a defined contribution group personal pension scheme for all other non teaching staff.

The total pension cost for the School was £218,794 (2019 - £167,415) of which £26,386 (2019 - £26,587) relates to the defined contribution and stakeholder pension schemes. There were outstanding contributions at the balance sheet date of £22,449 (2019 - £18,762) in respect of contributions due for the month of August paid over to the pension schemes' administrators in September.

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £192,408 (2019 - £140,828).

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.

HAYFRAN TRUST
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INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2020

14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year:		
Bank loan	<u>40,683</u>	<u>38,955</u>
Amounts falling due between one and two years:		
Bank loan – 1-2 years	<u>51,327</u>	<u>38,955</u>
Amounts falling due between two and five years:		
Bank loan – 2-5 years	<u>153,981</u>	<u>116,865</u>
Amounts falling due over five years:		
Bank loan – over 5 years	<u>111,626</u>	<u>153,525</u>

The bank loan is repayable by instalments over 10 years at an interest rate of 2.5% above base rate.

During the year the School was successful in its application for a £50,000 loan facility under the UK Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a fixed rate of 2.5%. The loan is repayable over six years in monthly instalments with no repayments due within the first 12 months of drawdown.

15. SECURED DEBTS

The bank loans and overdraft facility, if required, are secured by a first charge over the freehold property of the School.

16. RESTRICTED FUND

Analysis of movement in restricted funds:

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
Fixed asset fund	81,832	-	(3,305)	78,527
Jack Rabbit grant	<u>-</u>	<u>32,430</u>	<u>-</u>	<u>32,430</u>
	<u>81,832</u>	<u>32,430</u>	<u>(3,305)</u>	<u>110,957</u>

Fixed asset fund

Income in the Restricted Fund represents donations received for the purchase of specific fixed assets. Expenditure charged against the fund represents depreciation on the corresponding value of fixed assets that have been funded.

Jack Rabbit grant

To run swimming lessons and first aid courses for our younger pupils.

HAYFRAN TRUST
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INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2020

17. ALLOCATION OF THE CHARITY NET ASSETS

The net assets are held for the various funds as follows:

	Fixed assets £	Net current assets £	Creditors due after more than one year £	Total £
Unrestricted funds	1,891,563	162,483	(398,634)	1,655,412
Restricted fund	<u>78,527</u>	<u>32,430</u>	<u>-</u>	<u>110,957</u>
	<u>1,970,090</u>	<u>194,913</u>	<u>(398,634)</u>	<u>1,766,369</u>

18. COMPANY STATUS

The Company is limited by guarantee and does not have a share capital. The liability of the Members in the event of a winding up is limited by guarantee to an amount not exceeding £10 per member. At the balance sheet date there were 8 members (2019 - 9).

HAYFRAN TRUST
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INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 August 2020

19. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

Notes	Unrestricted fund School £	Other £	Restricted fund £	Total £
INCOME AND ENDOWMENTS FROM:				
Charitable activities				
Fees receivable	2,473,077	-	-	2,473,077
Other income	48,623	-	-	48,623
Donations and legacies	26,297	-	-	26,297
Trading activities	<u>-</u>	<u>19,879</u>	<u>-</u>	<u>19,879</u>
Total Income	<u>2,547,997</u>	<u>19,879</u>	<u>-</u>	<u>2,567,876</u>
EXPENDITURE ON				
Charitable activities				
School operating costs	2,605,117	-	3,305	2,608,422
Trading expenses	<u>-</u>	<u>15,450</u>	<u>-</u>	<u>15,450</u>
Total expenditure	<u>2,605,117</u>	<u>15,450</u>	<u>3,305</u>	<u>2,623,872</u>
NET (EXPENDITURE)/INCOME	(57,120)	4,429	(3,305)	(55,996)
Fund balances at 1 September 2018	<u>1,648,551</u>	<u>83,238</u>	<u>85,137</u>	<u>1,816,926</u>
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST 2019	<u>1,591,431</u>	<u>87,667</u>	<u>81,832</u>	<u>1,760,930</u>