



COMPANY NUMBER: 00911933
CHARITY NUMBER: 312070

**GOVERNORS' REPORT, STRATEGIC REPORT AND FINANCIAL STATEMENTS
FOR
FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 AUGUST 2018**

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FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
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FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Governors

G D Ashbee Chairman (from 21 June 2018)
M O Evans, Deputy Chairman (resigned 1 September 2017)
Mrs H F S Humphry-Baker BSc, PGCE, Deputy Chairman
Mrs E A Anderson (appointed 24 September 2018)
D J Barry BSc, MA, GDL
Mrs H Benedict BA (Hons), MBA (resigned 1 September 2017)
Mrs R M Bishop
R Bray
Mrs D J Burgess BSc (Hons), PGCE
Mrs T L Harvey M.Ed, RSA, FCoT
P A Howard
Mrs S Humphrey (appointed 24 September 2018)
Mrs M Jenner MBE, JP, (Chairman until 21 June 2018)
G R Owton
M G Sadler MA, LLB, FCCA
Mrs S St Gallay (appointed 8 January 2018)

Senior Leadership Team

Head
Secretary and Bursar
Deputy Head (Welfare & Community)
Assistant Head (Teaching & Learning)
Assistant Head (Co-ordination & Operations)
Assistant Head (Lower School)
Assistant Head (Digital Learning & Pupil Tracking)
Head of Boarding
Head of Upper School

Mrs M L Lance BD PGCE
J P McKinlay
E A Carradine BA PGCE GCPS (from 1 May 2018)
S J Pomeroy MA (Ed) BSc (Hons) PGCE
P J Breakwell B.Ed Cert.Ed
Mrs A Burton Smith MA, QTS (from 1 September 2017)
G J Starkey BA (Hons) PGCE
M J Rochford BSc (Hons) PGCE
N Kumar MA (Hons), PGCE (from 1 September 2017)

Charity number

312070

Company number

00911933

Registered office and principal address

Feltonfleet School
Byfleet Road
Cobham
Surrey
KT11 1DR

Auditors

Taylorcocks
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Bankers

Lloyds TSB Bank plc	HSBC Bank plc
Commercial Office	6 Commercial Way Crawley
Brambletye House	Woking
29 Brighton Road	Surrey
Crawley	GU21 1EZ
RH10 6AE	

Solicitors

Barlow Robbins LLP
The Oriel
Sydenham Road
Guildford
Surrey
GU1 3SR

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

The Governors present their report and financial statements for the year ended 31 August 2018, which also comply with the Companies Act 2006 requirement for a Directors Report and Strategic Report.

The financial statements have been prepared in accordance with the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The School is a company limited by guarantee (company number 00911933) and is governed by its Memorandum and Articles of Association. The School is a registered charity (charity number 312070) and operates as Feltonfleet School.

The Directors of the Company are also Trustees of the Charity and are referred to as Governors throughout this Report. During the year there was a board of thirteen Governors, with four appointments in the year and two resignations post year end, these are detailed on the legal and administration page.

None of the Governors has any beneficial interest in the Company. All the Governors are members of the Company and their individual liability is limited to £1 by the Memorandum and Articles of Association.

Recruitment, Induction and Training

Governors are recruited from amongst the large number of friends of the School who have an interest in its continued wellbeing and excellence. Also, they have a particular interest in one or more aspects of the School's activities where they are able to share their expertise and experience.

Prospective new Governors are interviewed by the Chairman of the Board and subsequently elected by the Board of Governors. A suitable induction programme is arranged for each new Governor and ongoing training for Governors is carried out with attendance at external training programmes as appropriate.

Organisational Structure

The overall direction of the School is determined by the Governors who review the longer term plans for the School, agree the annual budget and receive termly monitoring information against budget and performance measures.

The Governors meet as a Board three times a year and more frequently if there is a need. To assist the School there are Committees of the Board covering:

- Education
- Finance & General Purpose
- Safeguarding and Risk, Health & Safety
- Strategy

Each of these is chaired by a Governor and comprises a minimum of three Governors, the Headmaster, the Bursar plus other School staff.

The day-to-day management of the School is delegated to the Headmaster and the Bursar.

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

Risk Management

The Governors have further developed their Risk Management Policy during the year following a thorough review of the major risks to which the School is exposed. The Governors are satisfied that systems and procedures are established to manage these risks. A quantified assessment of risk was updated and considered by the Safeguarding and Risk, Health & Safety Committee and endorsed by the Board of Governors. In the current economic climate, the Governors have identified the principal risks and uncertainties for the School as the maintenance of pupil numbers and resulting income. All staff and most Governors have received Safeguarding and Child Protection training during the course of the year.

Remuneration of Key Management Personnel

The remuneration of staff is set by the Board with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding members of staff fairly and responsibly for their individual contributions to the success of the School.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

The School aims to recruit the strongest Staff possible and all are placed on a seven point scale, in recognition of their experience. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of the School's charitable expenditure.

CHARITABLE OBJECTS AND ACTIVITIES

Objects and strategies for achieving objectives

The School continues with its aim to provide the highest standard of education, both academically and in terms of core values, through offering a wide-ranging curriculum to boys and girls between the ages of three and thirteen.

All stages in the Feltonfleet Journey are linked by the belief that every individual matters and each of the four stages focuses on developing new skills, self-confidence and resilience. The education offered by the School is underpinned by first-class teaching, wide-ranging curricular and extra-curricular opportunities, meticulous pastoral care and excellent resources.

The fulfilment of Feltonfleet's aims was endorsed by the Independent Schools Inspection in September 2018 (just into the following academic year). All the extensive regulations relating to compliance were met and the outcomes in 'Pupil Achievement' and 'Personal Development' were deemed excellent. These were judged to be the result of the following:

- Disciplined commitment to all aspects of compliance.
- Exceptional maintenance of the school site and facilities.
- A values education which permeates all aspects of school life including the excellent Boarding House Expert pastoral care and a commitment to meet the needs of every child emotionally, physically and intellectually.
- High quality teaching across all subject areas and co-curricular programme.
- Clear and successful strategy for the integration of digital learning provision.
- Strong sense of shared purpose, team spirit and high levels of staff collaboration.

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

The school roll remains consistently strong at very close to 400 pupils. Demand is high, in particular for the Pre-Prep, with waiting lists for all four year-groups there. We must be mindful of the changing nature of prep school provision locally and of parents' concerns about transfer to senior schools. The threat of departure at the end of Year 6 has shown a slight decline but there remains considerable interest in entry to Feltonfleet at Year 7.

Charitable activities

The Year 8 Charity Committee organised fundraising events to support School charities last year, including Feed and Read, Homestart Elmbridge, The Royal Marsden Hospital and Alzheimers Society. When combined with the efforts of the Parents' Committee and the Friends of Feltonfleet, over £40,000 was raised during the past two years for the School's nominated charities.

The School's facilities are loaned to a range of schools and community bodies for sporting and community ventures.

Academic activities and achievements during the year

Up to Year 2, pupils attend the Pre-Prep facility (Calvi House) adjacent to the rest of the School, where the daily core academic focus involves real-life problem solving and vocabulary development within and beyond the classroom, alongside social development. Home-School learning partnerships have been strengthened further this year, with parents welcomed to sessions on spelling, phonics and dialogic reading. Trips, visits and experiences such as hatching ducklings enrich the daily experience. From Year 3 onwards, pupils are educated on the main site and are able to board or attend on a daily basis. Most pupils remain until Year 8, when they move on to their senior schools.

Throughout the School there has been a renewed focus on reading this year. The introduction of the OUP Reading Scheme in Lower School has been complemented by the newly renovated Lower School Library. In the Middle School, Book Clubs were launched for pupils and parents, with workshops for parents coming in to share books with the children. In Year 7, pupils now act as reading buddies to the younger pupils in the Pre-Prep and Lower School, fostering bonds within the community in addition to all the evident educational benefits. The use of four sets for teaching Maths and English has become embedded this year and this has contributed substantially to pupil progress.

The Spring term each year sees the majority of children in Year 6 sitting pre-tests for their senior schools and all the pupils coped extremely well with this challenging process. Their mature and balanced approach and the confident, engaging manner in which they spoke in practice interviews was impressive.

In Common Entrance exams in the Summer term, Year 8 achieved record-breaking results, with all pupils securing a place at their chosen schools. More than half the grades were achieved at A* or A, 81% were A* to B and 98% were A to C. In addition, four pupils were given awards by their senior schools for outstanding performance at Common Entrance.

20 Scholarships were awarded by senior schools to Year 8s and a further 3 scholarships to Year 6s. This new record was testament not only to the hard work of the pupils but also to the encouragement and dedication of the Staff who steered and supported them to achieve such success. The awards covered the range from Academic Scholarship to Art, Drama, DT, Music and Sport.

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2018

Other activities and achievements during the year

Music at Feltonfleet continues its outstanding profile, with both quality and breadth of musicianship evident with more pupils involved each year. Large numbers of children have shone in the choirs for Carols for Grandparents, Carol Services, Evensongs, Prize Giving and in the highly acclaimed Jazz Night with the Alan Barnes Quintet. 230 pupils have individual music tuition in school, many of whom are examined in termly Associated Board music exams. They rehearse in the extensive ensemble programme each week to contribute to the numerous and varied concerts, both formal and informal. One pupil achieved Distinction in Oboe Grade 8. Feltonfleet pupils won Music Scholarships to Epsom (2), Guildford High, St. Paul's, Woldingham and an Exhibition to Cranleigh.

In **Drama**, the LAMDA programme offers 90 students opportunities to develop their individual dramatic talents, with these pupils contributing to the excellent productions mounted by the Drama department. Many of these are innovative and ambitious, from an adaptation of The Tempest to Our Day Out. Bugsy Malone was the Year 5 production in the Autumn Term. The Year 6 Musical Theatre Showcase has also become a popular annual feature the Performing Arts Calendar. Two pupils achieved Drama Scholarships to Epsom College and one to Whitgift.

Dance last year saw the highest number of girls and boys taking part from the Pre-Prep up to Year 8, culminating in the stunning annual Dance Show. One boy was selected for the Mid Associate Programme at the Royal Ballet School.

In **Art**, the pupils are continually encouraged to challenge themselves to be more experimental and more emotionally involved in their art. The results of their endeavours are seen in the high calibre of art work exhibited in the Ashbee Theatre foyer and around the School. Art Scholarships were awarded to St John's and St Teresa's.

In **Sport**, Feltonfleet pupils have had opportunities to take part in over 1000 fixtures during the course of the past year. The launch of girl's cricket at Feltonfleet saw the 1st team coming 3rd in the Under 13 Surrey Cup in their first year of playing the sport. The Under 13 1st Netball team came 5th in the IAPS National Finals and the 1st Boys Hockey team narrowly missed out on a place in the IAPS Finals. Athletics saw six national finalists, with a Feltonfleet pupil winning Silver for Javelin. Swimmers achieved national positions of 4th, 9th and 17th in the IAPS Finals and 2nd places were won in national finals in both Golf and Triathlon. Shooting continues to be a sport in which the School achieves distinction at national level, with our teams winning national trophies including the St. Patrick's Shield, the Hammond Cup, the Lord Roberts Cup, the Pardoe Prize and the Terra Nova cup. Sports Scholarships were awarded to Epsom (2), Millfield, Notre Dame, Wellington, St. John's, St. Teresa's and Whitgift and an Exhibition to Epsom.

Public Benefit

The School continues to attach great importance to its contribution to the wider community.

The Governors confirm they have complied with the duty to provide public benefit as laid down in Section 4 of the Charities Act 2011. In particular they have given due regard to the revised General Guidance issued by the Charities Commission.

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 AUGUST 2018

The School includes, within its objectives, the provision of an education for boys and girls between the ages of 3 and 13 to prepare them for their further studies and for life in the world beyond school. The Governors ensure this charitable purpose is carried out for the public benefit by working to ensure, wherever possible, that the opportunity for a first class education is available to all who are sufficiently talented and would benefit from the activities of the School, regardless of financial circumstances.

The Governors recognise the enormous financial commitment made by many parents. For those who are unable to pay the full costs, the School welcomes bursary applications which are widely advertised. Additionally there is regular contact with Surrey County Council Education Department and local state schools to promote the bursary schemes. One of these is the Elmbridge-Gatton Bursary, providing a free boarding place for an 11-year old from the Borough of Elmbridge who would move on at 13 to board at the Royal Alexandra and Albert School, Reigate, the largest state boarding school in the country.

Under the School's bursary policy, all applications for financial support are considered, based upon personal and means-tested circumstances. In assessing suitability the child should meet the School's normal entry requirements, where attention is given to both their academic progress and potential. With limited funds, bursary support is offered to those considered likely to make academic progress and to benefit from participating in the School's wider, extra-curricular activities. All bursary applications are assessed by the Headmaster, the Bursar and two Governors.

During the year ended 31 August 2018, a total of £398,702 (2017: £352,334), amounting to 6.4% (2017: 5.6%) of total fees income, was spent on bursaries and allowances. The Governors recognise the need to continually provide for bursaries and to allocate bursary funds. With this in mind, they have approved further amounts next year in the budgeted provision.

A prominent aspect of the School is the awareness given by pupils to the charity area. A Charity Committee, whilst overseen by a member of the teaching staff, comprises pupils who determine deserving charities to support and subsequently arrange events to raise funds. Members in the local community have attended lectures and concerts given by pupils at the School. Children and young adults from sports clubs and other local groups from the Cobham area use many of the School's facilities, including the astro turf and the swimming pool.

FINANCIAL REVIEW

General Review

The School's principal funding source is school fees, this income is used to support the key objectives of the school as documented earlier in this report.

Reserves have increased by £191,529 during the year to total £7,982,414 at 31 August 2018. Of total reserves, £250,000 has been designated for the provision of bursaries and £96,000 is restricted in relation to the refurbished kitchen, leaving £7,636,414 unrestricted funds.

The Governors have maintained their commitment to the improvement of the School's infrastructure during the year as part of the ongoing programme with capital expenditure of £459,980, and substantial additional expenditure for major refurbishments throughout the School's property.

FELTONFLEET SCHOOL TRUST LIMITED

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GOVERNORS' REPORT (INCORPORATING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 AUGUST 2018

Reserves Policy

It is the policy of the School that its financial affairs are maintained within a tight budget approved by the Governors. The nature of the School's activities determines that reserves fund the property and other net assets are held to cover unexpected shortfalls on the Statement of Financial Activities.

The Governors consider that, in the event of a significant drop in short term income, they will be able to continue the School's activities while consideration is given to ways in which additional funds may be raised.

PLANS FOR THE FUTURE

After nearly three years in the planning, final permission was eventually awarded to the School to proceed with their building plans. It is now expected that construction work will commence in early-2019 on the new Design Technology and Digital Learning block, closely followed by the refurbishment of the Rutherford Block to an all-Science environment. Following on from that will be a refresh of the Maintenance Workshop and Shooting Range at the bottom end of the School. We hope to finish the overall plan with work on the new Music Block that will offer greater flexibility and space for both performances and practice.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Governors has confirmed there is no information of which they are aware that is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify any such relevant information and to establish that the auditor is aware of such information.

Auditor

TC Audit Limited took over the responsibility for the charitable company's audit on 27 July 2018, following the previous auditor's, Russell New Limited, acquisition into the Taylorcocks group of professional service firms. Taylorcocks is a trading name of TC Audit Limited, which is registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales (firm number: C005815976).

This report, including the Strategic Report, was approved by the Governors, as the Directors of the charitable company, on 29 November 2018 and signed on their behalf by:

Mr Giles Ashbee
Chairman

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the 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 year.

In preparing these financial statements the Governors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities' SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will not 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 accounts 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.

FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

We have audited the financial statements of Feltonfleet School Trust Limited for the year ended 31 August 2018 set out on pages 12 to 24. 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 2018 and the surplus or deficit 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.

FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report (incorporating the directors' report and strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report (incorporating the directors' report and strategic report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 governors' report (incorporating the directors' report and strategic report).

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

- adequate accounting records have not been kept by the charitable company, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FELTONFLEET SCHOOL TRUST LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS

Responsibilities of the governors

As explained more fully in the governors' responsibilities statement, the governors (who are also the directors of the charitable company for the purposes of company law) 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our audit 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.

Mark Cummins FCCA (Senior Statutory Auditor)
for and on behalf of



Statutory Auditor
Office: Steyning, West Sussex

Dated: 20th December 2018

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2018 £	Total 2017 £
INCOME FROM:						
Donations	6	500	122,618	-	123,118	8,925
Investments	7	14,597	-	-	14,597	17,482
Charitable activities	8	6,079,582	-	-	6,079,582	6,084,973
Total income		6,094,679	122,618	-	6,217,297	6,111,380
EXPENDITURE ON:	9					
Charitable activities		6,023,150	2,618	-	6,025,768	5,891,698
Total expenditure		6,023,150	2,618	-	6,025,768	5,891,698
Net income/expenditure		71,529	120,000	-	191,529	219,682
Transfers between funds		24,000	(24,000)	-	-	-
Net movement in funds		95,529	96,000	-	191,529	219,682
Fund balances brought forward		7,540,885	-	250,000	7,790,885	7,571,203
Fund balances carried forward	21	7,636,414	96,000	250,000	7,982,414	7,790,885

All income and gains for the year are recognised above. All of the school's activities are classed as continuing.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account.

FELTONFLEET SCHOOL TRUST LIMITED

Company Number 00911933

(LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS					
Tangible assets	12		6,377,058		6,262,569
CURRENT ASSETS					
Stock	13	17,461		-	
Debtors	15	1,568,217		1,480,326	
Cash at bank and in hand		<u>2,886,927</u>		<u>2,786,009</u>	
		4,472,605		4,266,335	
CURRENT LIABILITIES					
Creditors due within one year	15	<u>(2,867,249)</u>		<u>(2,738,019)</u>	
NET CURRENT ASSETS			<u>1,605,356</u>		<u>1,528,316</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,982,414		7,790,885
NET ASSETS			<u>7,982,414</u>		<u>7,790,885</u>
REPRESENTED BY:	21				
RESTRICTED FUNDS			96,000		-
UNRESTRICTED FUNDS					
General funds		7,636,414		7,540,885	
Designated funds		<u>250,000</u>	7,886,414	<u>250,000</u>	7,790,885
			<u>7,982,414</u>		<u>7,790,885</u>

The accounts were approved by the Board of Governors and signed on their behalf by:

Mr Giles Ashbee
(Chairman)

Date: 29th November 2018

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018	2017
		£	£
Cash flows from operating activities:			
Net income/(expenditure) for the year		191,529	219,682
Adjustments for:			
Depreciation charges	12	345,491	329,966
Dividends, interest and rents from investments	7	(14,597)	(17,482)
Loss/(profit) from sale of tangible fixed assets		(3,000)	-
(Increase)/decrease in stock		(17,461)	-
(Increase)/decrease in debtors		(87,891)	(88,041)
Increase/(decrease) in creditors		129,230	47,654
Net cash provided by/(used in) operating activities		543,301	491,779
Cash flows from investing activities:			
Dividends, interest and rents from investments	7	14,597	17,482
Proceeds on sale of tangible fixed assets		3,000	-
Purchase of tangible fixed assets	12	(459,980)	(60,958)
Net cash provided by/(used in) investing activities		(442,383)	(43,476)
Change in cash and cash equivalents in the year		100,918	448,303
Cash and cash equivalents at the beginning of the year		2,786,009	2,337,706
Cash and cash equivalents at the end of the year		2,886,927	2,786,009
Analysis of cash and cash equivalents			
Cash at bank and in hand		1,355	696
Notice deposits (less than 30 days)		2,885,572	2,785,313
Total cash and cash equivalents		2,886,927	2,786,009

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 STATUTORY INFORMATION

The charity is a charitable company, limited by guarantee, registered in England and Wales. The registered office, company number and charity number are detailed in the Legal and Administrative Information.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities' Statement of Recommended Practice (SORP (FRS102)) and Financial Reporting Standard 102.

The charitable company meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy.

After reviewing the charity's forecasts and projections, the governors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2.2 Income

Fees receivable and charges for services, less any allowances, scholarships and bursaries granted by the school against those fees are accounted for in the period in which the service is provided. Where fees are received for a future service period they are included in deferred income, including those fees received under an advance fee payment scheme. The services provided are outside the scope of VAT.

Investment income is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income are accounted for as and when entitlement arises, the amount can be reliably measured and the economic benefit is considered probable.

Where a donor or an appeal has imposed restrictions the income is credited to a restricted fund.

2.3 Expenditure

Expenditure is accounted for on an accruals basis with irrecoverable VAT included with the item to which it relates.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories and departments on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Freehold land is not depreciated

Freehold buildings	-	10, 15 and 40 years straight line
Fixtures, fittings and equipment	-	8 years straight line
Motor vehicles	-	5 years straight line

FELTONFLEET SCHOOL TRUST LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

2.5 Leasing and hire purchase commitments

Rentals paid under operating leases are charged against income on a straight line basis over the period of the lease.

2.6 Pensions

Teaching staff are members of the Teachers' Pension Scheme (TPS), a defined benefit scheme administered by the Teachers' Pension Agency. Contributions to the scheme are charged to the Statement of Financial Activities as they fall due. The TPS is an unfunded scheme. Contributions on a 'pay as you go' basis are credited to the exchequer under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in FRS 102 the TPS is a multi-employer pension scheme. The charity is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, under FRS 102 the scheme is accounted for as if it were a defined contribution scheme.

The charity also contributes to personal pension schemes for its non-teaching staff.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments. The governors seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.9 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 a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

2.10 Fund accounting

Unrestricted funds comprise those funds which can be used in accordance with the charitable objects at the discretion of the governors.

Designated funds comprise those funds set aside by the governors out of general funds for specific purposes or projects.

Restricted funds are those funds that can only be used for particular restricted purposes in accordance with the wishes of the donor or when funds are raised for particular restricted purposes.

3 TURNOVER

The turnover of the charity is wholly attributable to the objects of the charity as stated in the Governors' Report and is earned entirely within the UK.

4 NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Operating lease payments	72,008	72,008
Depreciation	329,966	329,966
Profit/(loss) on disposal of assets	3,000	-
Auditors' remuneration - audit services	11,400	11,400
Auditors' remuneration - non-audit services	15,480	15,540

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

5 TAXATION

The charitable company is registered as a charity and all of its income falls within the exemptions under Part 11 of the Corporation Tax Act 2010.

6 INCOME FROM DONATIONS AND LEGACIES

	UNRESTRICTED	RESTRICTED	TOTAL 2018 £	TOTAL 2017 £
Donations	500	122,618	123,118	8,925

7 INCOME FROM INVESTMENTS

	UNRESTRICTED	RESTRICTED	TOTAL 2018 £	TOTAL 2017 £
Interest	14,597	-	14,597	17,482

8 INCOME FROM CHARITABLE ACTIVITIES

	TOTAL 2018 £	TOTAL 2017 £
Gross school fees	6,270,320	6,252,275
less bursaries and allowances	(398,702)	(352,334)
Net school fees	5,871,618	5,899,941
Add:		
Scholarships, bursaries and awards from restricted/designated funds	2,618	2,925
Registration fees	19,885	19,900
Extras income	85,859	56,861
School bus/transport Income	99,602	105,346
	6,079,582	6,084,973

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

9 ANALYSIS OF EXPENDITURE

	Staff Costs £	Depreciation £	Other costs £	Total 2018 £	Total 2017 £
Charitable expenditure					
Education					
Teaching	3,093,501	80,187	378,575	3,552,263	3,224,698
Welfare	46,234	-	479,631	525,865	620,292
Premises	229,142	265,304	596,581	1,091,027	1,267,414
Support and governance	366,765	-	487,230	853,995	776,369
Bursaries from restricted funds	-	-	2,618	2,618	2,925
Total charitable expenditure	<u>3,735,642</u>	<u>345,491</u>	<u>1,944,635</u>	<u>6,025,768</u>	<u>5,891,698</u>
Total expenditure	<u>3,735,642</u>	<u>345,491</u>	<u>1,944,635</u>	<u>6,025,768</u>	<u>5,891,698</u>

Analysis of support and governance costs:

	2018 £	2017 £
Governance costs:		
Auditors remuneration for audit services	<u>11,400</u>	11,400
Total governance costs	<u>11,400</u>	11,400
Support costs:		
Auditors' remuneration for non audit services	15,480	15,540
Legal and professional fees relating to support	51,791	53,744
Support staff wages, national insurance and pension	366,765	365,879
Other support costs	408,559	329,806
	<u>853,995</u>	<u>776,369</u>

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

10 STAFF COSTS

The average monthly number of employees during the year was:

	2018 Number	2017 Number
Teaching	61	58
Domestic	15	19
Administration	12	12
	88	89

The aggregate payroll costs for the year were as follows:

	2018 £	2017 £
Wages and salaries	3,049,028	2,969,799
Social security costs	302,714	293,388
Pension costs	383,900	364,415
	3,735,642	3,627,602

None of the governors received any remuneration, reimbursed expenses or other benefits from the school or any connected body.

Ex gratia payments for redundancy of 3 staff (2017: none) totalled £32,657 (2017: £nil).

Staff earning in excess of £60,000 per annum in the following bands are:

	2018 Number	2017 Number
£60,000 - £69,999	1	2
£70,000 - £79,999	1	1

Of the employees whose emoluments exceed £60,000, 1 (2016: 0) have retirement benefits accruing under defined contribution schemes and 2 (2016: 2) have benefits accruing under defined benefit schemes. Contributions payable by the company to those schemes for higher paid employees were:

	2018 £	2017 £
Defined contribution schemes	4,850	4,664
Defined benefit schemes	11,712	22,867

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

10 STAFF COSTS

cont'd

The key management personnel of the school are detailed in the Governors' Report and Legal and Administrative Information.

	2018	2017
	£	£
Aggregate employee benefits of key management personnel (including employer national insurance and pension contributions)	<u>646,737</u>	<u>653,203</u>

11 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 31 AUGUST 2017

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total 2017 £
INCOME FROM:				
Donations and legacies	6,000	2,925	-	8,925
Investments	17,482	-	-	17,482
Charitable activities	6,084,973	-	-	6,084,973
Total income	<u>6,108,455</u>	<u>2,925</u>	<u>-</u>	<u>6,111,380</u>
EXPENDITURE ON:				
Raising Funds	-	-	-	-
Charitable activities	5,888,773	2,925	-	5,891,698
Total expenditure	<u>5,888,773</u>	<u>2,925</u>	<u>-</u>	<u>5,891,698</u>
Net income/expenditure	219,682	-	-	219,682
Fund balances brought forward	<u>7,321,203</u>	<u>-</u>	<u>250,000</u>	<u>7,571,203</u>
Fund balances carried forward	<u>7,540,885</u>	<u>-</u>	<u>250,000</u>	<u>7,790,885</u>

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

12 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Fixtures, Fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1 September 2017	8,612,836	351,993	232,820	9,197,649
Additions	377,308	63,898	18,774	459,980
Disposals	-	(22,537)	(24,024)	(46,561)
At 31 August 2018	<u>8,990,144</u>	<u>393,354</u>	<u>227,570</u>	<u>9,611,068</u>
Depreciation				
At 1 September 2017	2,566,311	179,512	189,257	2,935,080
Charge for year	265,304	61,452	18,735	345,491
Eliminated on disposal	-	(22,537)	(24,024)	(46,561)
At 31 August 2018	<u>2,831,615</u>	<u>218,427</u>	<u>183,968</u>	<u>3,234,010</u>
Net Book Value				
At 31 August 2018	<u>6,158,529</u>	<u>174,927</u>	<u>43,602</u>	<u>6,377,058</u>
At 31 August 2017	<u><u>6,046,525</u></u>	<u><u>172,481</u></u>	<u><u>43,563</u></u>	<u><u>6,262,569</u></u>

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

13 STOCK

	2018	2017
	£	£
Stock of uniform	17,461	-

14 DEBTORS

	2018	2017
	£	£
Fee debtors	1,510,989	1,435,769
Prepayments and accrued income	53,703	44,557
Other debtors	3,525	-
	1,568,217	1,480,326

15 CREDITORS: due within one year

	2018	2017
	£	£
Trade creditors	92,987	108,974
Accruals and other creditors	144,838	16,814
Fees in Advance	2,071,713	2,090,611
Deposits	480,258	447,679
Other taxes and social security	77,453	73,941
	2,867,249	2,738,019

Fees in advance represent amounts due for Winter term 2018.

16 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2018 the company had total commitments under non-cancellable operating leases payable as follows:

	2018	2017
	£	£
Within one year	90,356	62,376
Between one and five years	109,156	75,067
	199,512	137,443

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

18 PENSION COMMITMENTS

The school participates in the Teachers' Pension Scheme (England and Wales) (TPS) for its teaching staff. The TPS is an unfunded multi-employer defined benefits scheme governed by the Teachers' Pension 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 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS in September 2018 to allow the Department for Education to finalise this pension scheme actuarial valuation. Along with a number of other schools, the School was surprised at the DfE-proposed increase in employers' contributions to the Teachers' Pension Scheme - an increase of some 43% to 23.6%.

There are also early indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers will get improved pension benefits for employment over the period April 2019 to March 2023.

The pension charge for the year includes employer contributions payable to the TPS of £352,570 (2017: £338,931) and at the year end £nil (2017: £nil) was accrued in respect of contributions due to the scheme.

The school also contributes to defined contribution schemes on behalf of its other staff. Employer contributions payable to these schemes were £31,330 (2017: £25,484) and at the year end £nil (2017: £nil) was accrued in respect of contributions due to these schemes.

19 SHARE CAPITAL AND CONTROL

The charity is limited by guarantee and does not have a share capital. In the event of a winding up each member guarantees to contribute an amount of no more than £1.

20 RELATED PARTIES

During the year the school paid a salary amounting to £nil (2017: £2,914) to Mrs N Ashbee, the wife of G D Ashbee, a governor, for her role as a teaching assistant.

FELTONFLEET SCHOOL TRUST LIMITED

(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

21 SUMMARY OF FUND MOVEMENTS

	At 1 Sept 2017	Income	Expenses	Transfers	At 31 August 2018
Unrestricted funds					
General reserves	7,540,885	6,094,679	(6,023,150)	24,000	7,636,414
Designated funds	250,000	-	-	-	250,000
	7,790,885	6,094,679	(6,023,150)	24,000	7,886,414
Restricted funds					
Holroyd Howe	-	120,000	-	(24,000)	96,000
Wake Fund	-	2,618	(2,618)	-	-
	-	122,618	(2,618)	(24,000)	96,000
Total funds	7,790,885	6,217,297	(6,025,768)	-	7,982,414

Designated funds:

The governors designated funds in order to provide for the provision of bursaries.

Restricted funds:

The Wake Fund provides funds to go towards bursaries and have been spent in the period.

On 1 September 2017 the school entered into a contract with Holroyd Howe for catering services and as part of that agreement Holroyd Howe provided a donation of £120,000 towards the refurbishment of the kitchen. Should the school end the contract within five years they are required to pay back the donation pro-rata with the term of the contract remaining. In accordance with the contract £120,000 is treated as a restricted fund and at 31 August 2018 £24,000 has been transferred to unrestricted funds.

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2018 £
At 31 August 2018				
Tangible fixed assets	6,377,058	-	-	6,377,058
Current assets	4,126,605	250,000	96,000	4,472,605
Creditors: less than one year	(2,867,249)	-	-	(2,867,249)
	7,636,414	250,000	96,000	7,982,414
	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2017 £
At 31 August 2017				
Tangible fixed assets	6,262,569	-	-	6,262,569
Current assets	4,016,335	250,000	-	4,266,335
Creditors: less than one year	(2,738,019)	-	-	(2,738,019)
	7,540,885	250,000	-	7,790,885