

2119682

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2012
FOR
FINTON HOUSE EDUCATIONAL TRUST**



CHARTERED ACCOUNTANTS
& BUSINESS ADVISERS

TUESDAY



A1N2AU6J

A21

04/12/2012

#106

COMPANIES HOUSE

FINTON HOUSE EDUCATIONAL TRUST
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 21
Detailed Statement of Financial Activities	22 to 23

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02119682

Registered Charity number

296588

Registered office

Finton House School
171 Trinity Road
London
SW17 7HL

Trustees

A E Floyd	
M I Russell	- resigned 31 7 2012
M D L Ponsonby	
Mrs P Parker	
N Talbot-Rice	
R M Carlyle	
M Chilton	
L Nunneley	
E Rees	- resigned 31 7 2012
Mrs F Brown	- appointed 1 9 2011
R Chatwin	- appointed 1 9 2011
Mrs S Nicholas	
N Milligan	- appointed 1 9 2012
Ms A Fleming	- appointed 1 9 2012
Ms D Bicknell	- appointed 1 9 2012

Company Secretary

A J Allan

Auditors

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Governing body

The Charity's governing body is the Board of Governors ("the Board"), the members of which are listed on page 1.

Recruitment and appointment of new trustees

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

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

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

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

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

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

Risk management

The Board and the Management Team have examined the major risks facing the School. They continue to keep the School's activities under review and to monitor the effectiveness of the system of internal controls to safeguard its assets, including the use of insurance cover where appropriate.

OBJECTIVES AND ACTIVITIES

Charitable objects

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

Aims

The School's primary aim is to provide a first-class education, in which all children can reach the highest academic standard according to their own ability. The School sets out to create an atmosphere of warmth, respect and care, in which children are happy and motivated to learn at their own levels. To this end, and exceptionally among schools of its kind, the School integrates children with special needs fully into mainstream classes, offering individual structured assistance and therapy within the curriculum where required.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

OBJECTIVES AND ACTIVITIES

Objectives

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

Key objectives for the year included

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

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

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

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

To continue to increase pupil numbers in the Upper School by offering occasional places

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

To continue to increase the provision of fee assistance through means-tested bursary places, enabling one additional pupil to join the School in September 2012 at up to 100% fee remission, to enable the admission of pupils from the wider community who would otherwise be unable to benefit from the ethos and education offered by the School

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

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

Ethos, Strategy and Policies

The Governors are responsible for setting a strategy for achieving the School's objectives. This year our strategy has focused on the development of our pupils, their ongoing high level of academic success and extra curricular activities, and the widening of access to the education our School provides.

To achieve this, the School has

Reviewed the School's academic syllabus, teaching practices and examination results

Continued to invest in both technology and the infrastructure of the School

Shared resources and opportunities with other local schools

Continued to review and develop our methods of awarding bursaries to widen access to pupils from all backgrounds

School ethos: a caring School serving our local community

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

The School is fully committed to safeguarding and promoting the welfare of our pupils and expects all its staff and volunteers to share this commitment. In the most recent interim ISI inspection, which took place in March 2010, the report stated that the School's standards were excellent and the progress since the last inspection in 2006 has been excellent overall. The School has excellent standards in literacy and in the overall delivery of the curriculum. The School has a very high level of staff commitment offering an excellent level of pastoral care, particularly in personal development, pupil behaviour, links with parents and the whole-hearted inclusion of pupils with special needs with mainstream pupils. The overall leadership and management of the School was reported as excellent. In the Early Years Foundation Stage the overall effectiveness of the Early Years provision, the leadership and management and the outcomes for children were all reported as being outstanding.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

OBJECTIVES AND ACTIVITIES

Access Policy

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

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

The School also contributed £31,780 to Trinity Fields Trust (Charity no 1060813) as part of an annual rental agreement to use their playing fields as part of the Consortium Schools licence agreement. Trinity Fields Trust in turn uses this income to enable young people under the age of 25 in the local community to use these playing fields as part of their public benefit.

Bursary Policy

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

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

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

ACHIEVEMENT AND PERFORMANCE

Pupil numbers and fees

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

In 2011/12 the School averaged 324 pupils due to unexpected retention versus 306 pupils in 2010/11. We will commence the academic year in September 2012 at full capacity with 320 pupils.

Our fee increase for September 2012 was set at 3.5% in order to cover our additional operating costs and staff salaries.
Lower School Fees - £3,960 per term (£3,825 in 2010/11)
Upper School Fees - £4,295 per term (£4,150 in 2010/11)

Academic

In July 2012 all our Year 6 pupils attained places at the senior schools of their first choice. Over a third of pupils, who left Finton House at 11+, won scholarships or awards to their senior schools.

Co - Curricular activities

Music

Approximately one third of our pupils above Year 3 learn a musical instrument. We have a strong Upper School band and a choir, both of whom perform in concerts within the local community.

Drama

All our pupils in Year 5 & 6 have the opportunity to take part in our annual drama production, which this year was 'Pirates' staged at the Lost Theatre in Lambeth. Year 2 took their production of 'Aesop's The Abler' to the Holy Trinity Church Hall. All other Year groups perform in plays and concerts within the School.

Sport

All pupils have the opportunity to develop individual and team skills through organised team games, such as football, rugby, cricket, netball, hockey, rounders and individual sports such as swimming, gymnastics, athletics, karate, fencing, judo and dance.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

ACHIEVEMENT AND PERFORMANCE

Policy into Practice

Details of bursary awards

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

In September 2008, the School admitted our first 100% bursary pupil. In 2011/12 we were delighted to accept an additional pupil into the School under this bursary scheme. This meant that, in 2011/12, the value of our means-tested bursaries were £54,663 versus £41,115 in 2010/11, financed by operating surpluses. In 2012/13, our sixth pupil will join the School, increasing the value of our means-tested bursaries to £57,986.

Details of hardship awards

In 2011/12, a hardship fee remission fund was also made available to parents suffering family hardship, such as bereavement or job loss, which prevented them from meeting their fees. Two such hardship awards were made, to a total value of £6,030, versus £6,849 in 2010/11, also financed by operating surpluses.

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

Special Needs Department

Each year since its foundation, and in accordance with its commitment to integration, the School has offered one place in each of its Reception classes to a child with known special needs. These needs have included Down's Syndrome, hearing impairment, Asperger's, speech and language difficulties, and educational developmental delay. Children on special needs places are supported by a dedicated Special Educational Needs Co-ordinator, a team of Special Needs Assistants and in-house therapists. In addition, those mainstream children, who, once in the School are found to have learning difficulties, are supported by a Special Educational Needs Co-ordinator and, when appropriate, by specialist support. The School is able to provide one-to-one tuition for children with dyslexia, dyspraxia or speech and language difficulties. The additional cost of such extra staffing support over and above parent and Local Authority contributions, through special needs statements, is substantial and is borne by the School and by the Special Needs Appeal Fund.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

ACHIEVEMENT AND PERFORMANCE

Review

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

Teaching Links Programme

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

Bi-annual Special Needs Forum

The Special Needs department hosts a bi-annual Special Needs Forum to which guest speakers are invited to discuss key topics relating to the education of pupils with special needs in an inclusive environment. The 2011 forum focused upon the teaching of maths and dyscalculia, held by Richard Dunne and was attended by over 150 guests from a range of local maintained and independent schools. Projects associated with this forum are subsequently run on an ongoing basis.

More Able pupils

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

Community Service

Pupils in Year 6 take part in a number of charitable initiatives in the local community offering support in old people's homes. A number of fund-raising days take place throughout the year raising money for local charities, including an annual School fete, together raising £4,000.

Volunteers

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

Operational performance of the school

All aspects of the School's operations have been maintained at a high standard. This has been endorsed by the conclusions of the ISI inspection, which took place in May 2006 and the interim inspection held in March 2010. The broad conclusions of the inspection committee were that the School remains at the forefront of academic development, offering an excellent level of education, and has fully met all its aims. The report stated that Finton House has exceptional strengths in many important areas including planning and monitoring, cross-curricular links, personal development and pastoral care, pupil behaviour, links with parents and the whole-hearted inclusion of pupils with special needs with mainstream pupils.

The School does not select children on the basis of academic assessment but according to a first come, first served registration process. The academic success of the School is notable, with every pupil leaving Finton House in 2012 gaining a place in the school of their first choice and over a third of our pupils receiving academic awards to their next schools.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

FINANCIAL REVIEW

Financial Review

School net income for the year amounted to £487,232 (2011 £318,272), before transfers between funds. This surplus has again been achieved by a modest increase in fees and by managing operating and staffing costs carefully to ensure an on-going strong financial position.

The 10th Anniversary Appeal Fund had reserves of £567,248 (2011 £558,953) at the year end after unrealised gains/(losses), transfers, donations and reinvested investment income in the year of £8,295 (2011 £5,464).

The Sally Walker Bursary Fund had reserves of £854,184 (2011 £795,484) at the year end, after unrealised gains/(losses), transfers, donations and reinvested investment income of £58,700 (2011 £65,866).

The School continued to improve its facilities with new IT and other equipment costing £75,640 (2011 £36,935).

The School Buildings Fund, representing corporate reserves designated by the Board to finance the School's long term assets, now stands at £2.21 million (2011 £2.03 million) and is supplemented by the fees in advance.

Reserves Policy

The Trust needs a certain level of free reserves to enable it to meet its charitable obligations in the eventuality of an unexpected shortfall in revenue. The Charity Commission defines free reserves as unrestricted funds available to spend on the general purposes of the Trust and therefore, exclude those designated for particular purposes and those already utilized in purchasing tangible assets. The Governors believe that the level of reserves freely available for its general purpose should be sufficient to accommodate the continuing needs of the Trust and to develop and maintain its buildings and facilities at an appropriate level. The Governors have determined that the appropriate level of free reserves which are not invested in tangible assets should be no more than one term's expenditure which presently amounts to approximately £1.2 million. However, the present level of free reserves amounts to £1.6 million as the Trustees have committed to a further £2.2 million of expenditure on school buildings over the next three years and therefore have been increasing the free reserves with this in mind to prevent the need for excessive bank borrowings.

Investment policy and objectives

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

GOVERNORS LIABILITY INSURANCE

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

FUTURE DEVELOPMENTS

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

The School has also reviewed the best way to expand the classroom size in each of the classes within the Upper School and the need to continue to improve its overall teaching facilities whilst not expanding pupil numbers. As a result, the School has started a building project in July 2012 with a new specialist teaching block in the playground to accommodate new music, design and technology, science and learning support facilities.

FINTON HOUSE EDUCATIONAL TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2012

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Finton House Educational Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees 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 trustees are required to

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

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

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

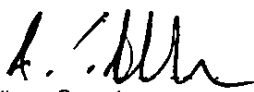
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information

AUDITORS

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

ON BEHALF OF THE BOARD


A J Allan - Secretary

Date 28/4/12

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

We have audited the financial statements of Finton House Educational Trust for the year ended 31 July 2012 on pages ten to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Charles Baynes (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Date 30 November 2012

FINTON HOUSE EDUCATIONAL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	350	55,662	56,012	100,050
Activities for generating funds	3	30,828	37,796	68,624	65,086
Incoming resources from charitable activities	4				
Fees Receivable		4,015,949	-	4,015,949	3,635,434
Sundry other income		99,975	-	99,975	89,436
Total incoming resources		4,147,102	93,458	4,240,560	3,890,006
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating funds	5	30,159	-	30,159	25,667
Charitable activities	6				
School operating costs		3,572,797	-	3,572,797	3,356,052
Governance costs	8	56,914	-	56,914	52,975
Total resources expended		3,659,870	-	3,659,870	3,434,694
NET INCOMING RESOURCES before transfers		487,232	93,458	580,690	455,312
Gross transfers between funds	20	14,547	(14,547)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		501,779	78,911	580,690	455,312
Other recognised gains/losses					
Gains/losses on investment assets		(1,173)	(11,916)	(13,089)	67,411
Net movement in funds		500,606	66,995	567,601	522,723
RECONCILIATION OF FUNDS					
Total funds brought forward		3,310,382	1,354,437	4,664,819	4,142,096
TOTAL FUNDS CARRIED FORWARD		3,810,988	1,421,432	5,232,420	4,664,819

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities

The notes form part of these financial statements

FINTON HOUSE EDUCATIONAL TRUST

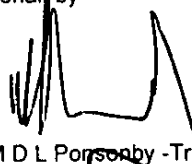
**BALANCE SHEET
AT 31 JULY 2012**

	Notes	Unrestricted funds £	Restricted funds £	2012 Total funds £	2011 Total funds £
FIXED ASSETS					
Tangible assets	13	2,957,684	-	2,957,684	2,808,369
Investments	14	<u>140,345</u>	<u>1,411,840</u>	<u>1,552,185</u>	<u>1,523,456</u>
		3,098,029	1,411,840	4,509,869	4,331,825
CURRENT ASSETS					
Stocks	15	7,506	-	7,506	5,288
Debtors amounts falling due within one year	16	131,888	9,466	141,354	162,527
Cash at bank		<u>1,434,348</u>	<u>126</u>	<u>1,434,474</u>	<u>1,075,380</u>
		1,573,742	9,592	1,583,334	1,243,195
CREDITORS					
Amounts falling due within one year	17	<u>(308,785)</u>	-	<u>(308,785)</u>	<u>(347,378)</u>
NET CURRENT ASSETS		<u>1,264,957</u>	<u>9,592</u>	<u>1,274,549</u>	<u>895,817</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,362,986	1,421,432	5,784,418	5,227,642
CREDITORS					
Amounts falling due after more than one year	18	<u>(551,998)</u>	-	<u>(551,998)</u>	<u>(562,823)</u>
NET ASSETS		<u>3,810,988</u>	<u>1,421,432</u>	<u>5,232,420</u>	<u>4,664,819</u>
FUNDS	20				
Unrestricted funds					
General fund				1,609,651	1,278,998
Building Fund				<u>2,201,337</u>	<u>2,031,384</u>
				3,810,988	3,310,382
Restricted funds					
Sally Walker Bursary Fund				854,184	795,484
Special Needs Appeal Fund				<u>567,248</u>	<u>558,953</u>
				1,421,432	1,354,437
TOTAL FUNDS				<u>5,232,420</u>	<u>4,664,819</u>

The financial statements were approved by the Board of Trustees on behalf by

28/11/12

and were signed on its


M D L Porsonby - Trustee


A E Floyd - Trustee

Company N°. 02119682 (E)

The notes form part of these financial statements

FINTON HOUSE EDUCATIONAL TRUST

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2012**

		2012 £	2011 £
Net cash inflow from operating activities	Notes 1	686,838	542,095
Returns on investments and servicing of finance	2	(41,818)	(39,410)
Capital expenditure and financial investment	2	(285,926)	(293,946)
		<u>359,094</u>	<u>208,739</u>
Management of liquid resources	2	(250,000)	-
		<u>109,094</u>	<u>208,739</u>
Increase in cash in the period		<u>109,094</u>	<u>208,739</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		109,094	208,739
Cash outflow from increase in liquid resources		<u>250,000</u>	<u>-</u>
Change in net debt resulting from cash flows		<u>359,094</u>	<u>208,739</u>
Movement in net debt in the period		359,094	208,739
Net cash/(debt) at 1 August		<u>1,075,380</u>	<u>866,641</u>
Net cash/(debt) at 31 July		<u>1,434,474</u>	<u>1,075,380</u>

The notes form part of these financial statements

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2012

1 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Net incoming resources	580,690	455,312
Depreciation charges	136,611	124,252
(Increase)/decrease in stocks	(2,218)	189
Decrease/(increase) in debtors	21,173	(34,549)
Decrease in creditors	<u>(49,418)</u>	<u>(3,109)</u>
Net cash inflow from operating activities	<u>686,838</u>	<u>542,095</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2012 £	2011 £
Returns on investments and servicing of finance		
Investment income	<u>(41,818)</u>	<u>(39,410)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(41,818)</u>	<u>(39,410)</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	(285,926)	(193,940)
Purchase of charity investments	<u>-</u>	<u>(100,006)</u>
Net cash outflow for capital expenditure and financial investment	<u>(285,926)</u>	<u>(293,946)</u>
 Management of liquid resources		
Purchase of Treasurers deposits	<u>(250,000)</u>	<u>-</u>
Net cash outflow from management of liquid resources	<u>(250,000)</u>	<u>-</u>

3 ANALYSIS OF CHANGES IN NET CASH /(DEBT)

	At 1/8/11 £	Cash flow £	At 31/7/12 £
Net cash			
Cash at bank	1,075,380	359,094	1,434,474
Less Deposits treated as liquid resources	<u>(150,000)</u>	<u>(250,000)</u>	<u>(400,000)</u>
	925,380	109,094	1,034,474
	<u>925,380</u>	<u>109,094</u>	<u>1,034,474</u>
 Liquid resources			
Deposits included in cash	150,000	250,000	400,000
	<u>150,000</u>	<u>250,000</u>	<u>400,000</u>
Total	<u>1,075,380</u>	<u>359,094</u>	<u>1,434,474</u>

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Fees and similar income

Fees receivable consist of charges billed for the School year ended 31 July, less bursaries and allowances. Fees received for education to be provided in future years are carried forwards as fees received in advance.

Direct and overhead expenditure

Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs

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

Stocks

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012

1 ACCOUNTING POLICIES - continued

Land, buildings and equipment

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

Freehold buildings 3% straight line
 Furniture and equipment 25% straight line
 Motor vehicles 25% straight line

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

Donations

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

Teaching materials

Supplies of games equipment, books, stationery and sundry materials are written off to general revenue account as soon as the expenditure on procuring them is incurred

Operating leases

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

Pension schemes

The School contributes to the Teachers' Pension Defined Benefits Scheme (TPS) at rates set by the Scheme Actuary and advised to the School by the Scheme Administrator The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are applicable to the Charity In accordance with FRS17 the Scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised as due by the Scheme Administrator

There is a further deferred benefits scheme administered by the Pension Trust for non teaching senior administrative staff Contributions by the employer is at the rate of 14 1% (2011 14 1%)

The Schools also contributes to personal pension schemes for non-teaching staff who have more than six months service, at 7 5% (2011 7 5%) of salary on behalf of non-teaching staff, and these contributions are accrued accordingly

Investments

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

2 VOLUNTARY INCOME

	2012	2011
	£	£
Donations	<u>56,012</u>	<u>100,050</u>

3 ACTIVITIES FOR GENERATING FUNDS

	2012	2011
	£	£
Investment Income	53,008	47,261
Shop Income	<u>15,616</u>	<u>17,825</u>
	<u>68,624</u>	<u>65,086</u>

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

SCHOOL FEES	2012	2011
	£	£
Gross fees	4,140,129	3,751,923
Staff Discounts & Bursaries	<u>(124,180)</u>	<u>(116,489)</u>
	<u>4,015,949</u>	<u>3,635,434</u>
 OTHER INCOME	 2012	 2011
	£	£
Registration fees	10,110	8,405
Other fees inc school clubs	<u>89,865</u>	<u>81,031</u>
	<u>99,975</u>	<u>89,436</u>

5 COSTS OF GENERATING FUNDS

	2012	2011
	£	£
Fundraising & publicity	12,918	8,012
Shop expenditure	15,126	15,370
Finance & other costs	<u>2,115</u>	<u>2,285</u>
	<u>30,159</u>	<u>25,667</u>

6 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Other	Depreciation	2012 Total	2011 Total
	£	£	£	£	£
Charitable expenditure					
Teaching costs	2,322,696	77,740	-	2,400,436	2,267,386
Welfare	83,346	99,773	44,278	227,397	217,406
Premises	56,564	164,785	92,333	312,682	302,274
Support costs-Note 7	<u>444,514</u>	<u>187,769</u>	<u>-</u>	<u>632,283</u>	<u>568,989</u>
	<u>2,906,120</u>	<u>530,067</u>	<u>136,611</u>	<u>3,572,798</u>	<u>3,356,054</u>

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012**

7 SUPPORT COSTS

	2012	2011
	£	£
Salary cost	398,351	377,999
Pensions & insurance	46,164	41,109
Hire of plant and machinery	8,826	8,894
School trips	2,128	(3,601)
Telephone	14,371	10,378
Consumables	134,723	113,386
Sundries	309	-
Motor	<u>27,411</u>	<u>20,824</u>
	<u>632,283</u>	<u>568,989</u>

8 GOVERNANCE COSTS

	2012	2011
	£	£
Professional fees	11,329	5,162
Auditors' remuneration	9,000	8,500
Auditors' remuneration for non-audit work	<u>36,585</u>	<u>39,313</u>
	<u>56,914</u>	<u>52,975</u>

9 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2012	2011
	£	£
Auditors' remuneration	9,000	8,500
Auditors' remuneration for non-audit work	36,585	39,313
Depreciation - owned assets	136,611	124,252
Hire of plant and machinery	<u>8,826</u>	<u>8,894</u>

10 TRUSTEES' REMUNERATION AND BENEFITS

No director or trustee received remuneration, or reimbursement of expenses during this or the previous year apart from the headmaster, A Floyd

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 July 2012 nor for the year ended 31 July 2011

FINTON HOUSE EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012**

11 STAFF COSTS

The average number of employees in the year was

	In Pension Scheme	2012	2011
Teaching staff	50	58	57
Domestic and maintenance staff	9	13	13
Administration	6	7	7
		£	£
Salaries & wages		2,305,001	2,258,355
Social security		184,690	152,233
Pensions		237,816	208,892
Life and health insurance		50,706	45,722
Other staff costs		127,907	78,944
		<u>2,906,120</u>	<u>2,744,146</u>

One employee's emoluments fell within the band £60,000 - £70,000 during the year (2011 two) and one within the band £80,000 - £90,000 (2011 nil)

12 PENSION COSTS

The Charity participates in the Teachers Pension Scheme (England and Wales) for its teaching staff, at the standard contribution rate of 19.5% from 1 April 2003 and 20.5% from 1 January 2008 with 6.4% to be paid by the teachers with the remaining 14.1% borne by the employer. From April 2012, the Teachers Pension Scheme introduced a new variable rate for employees between 7.3% and 8.4% depending upon which salary bracket each employee falls into. The employer contribution rate remains at 14.1%. Contributions payable to the scheme in the year amounted to £183,688 (2011 £175,465). All contributions due were paid in the year.

The School also operates a final salary plan for senior administrative staff, the assets of which are held by The Pensions Trust. Contributions payable to this scheme amounted to £9,295 (2011 £9,003). All contributions were paid in the year. The employer contribution rate for this scheme is 14.1% with 10.4% to be paid by the employees concerned. Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Pension Trust Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. As at 30 September 2008, being the last actuarial valuation, the potential debt is £246,930. There is no intention by the School to leave the Scheme.

Under the definitions set out in Financial Reporting Standard 17 (FRS17), Retirement Benefits, the TPS and the Pensions Trust's Salary Plan are both multi-employer pension schemes. The School is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the School has taken advantage of the exemption in FRS17 and has accounted for its contributions to the schemes as if they were defined contribution schemes.

The School also operates a defined contribution pension scheme with both Standard Life and Scottish Widows for its non-teaching staff, the assets for which are held separately from those of the company in an independently administered fund. Net contributions payable by the company amounted to £46,275 (2011 £27,923). All contributions due were paid in the year.

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012

13 TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2011	3,694,262	556,223	51,421	4,301,906
Additions	210,286	75,640	-	285,926
Disposals	-	(329,735)	(14,687)	(344,422)
At 31 July 2012	<u>3,904,548</u>	<u>302,128</u>	<u>36,734</u>	<u>4,243,410</u>
DEPRECIATION				
At 1 August 2011	936,180	505,936	51,421	1,493,537
Charge for year	92,333	44,278	-	136,611
Eliminated on disposal	-	(329,735)	(14,687)	(344,422)
At 31 July 2012	<u>1,028,513</u>	<u>220,479</u>	<u>36,734</u>	<u>1,285,726</u>
NET BOOK VALUE				
At 31 July 2012	<u>2,876,035</u>	<u>81,649</u>	<u>-</u>	<u>2,957,684</u>
At 31 July 2011	<u>2,758,082</u>	<u>50,287</u>	<u>-</u>	<u>2,808,369</u>

14 FIXED ASSET INVESTMENTS

	2012	2011
At valuation		
Absolute Return Trust for Charities (UK hedge funds)	520,854	560,808
Equity Income Trust for Charities (UK equities)	661,063	655,394
Income Trust for Charities (UK Bonds)	308,590	288,091
Cash on deposit	<u>61,678</u>	<u>19,163</u>
	<u>1,552,185</u>	<u>1,523,456</u>

All investments are in managed charitable funds with Cazenove Capital Management Limited. All investment assets are within the UK.

The cost of the investments was £1,508,610 (2011, £1,467,086).

15 STOCKS

	2012 £	2011 £
Stock of goods for resale	<u>7,506</u>	<u>5,288</u>

16 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade debtors	79,963	76,023
Other debtors	<u>61,391</u>	<u>86,504</u>
	<u>141,354</u>	<u>162,527</u>

FINTON HOUSE EDUCATIONAL TRUST
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 JULY 2012

17 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	1,470	5,359
Social security and other taxes	55,906	63,832
Other creditors	91,217	25,720
Fees received in advance	122,700	163,875
Accrued expenses & deferred income	<u>37,492</u>	<u>88,592</u>
	<u>308,785</u>	<u>347,378</u>

18 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Fees received in advance	<u>551,998</u>	<u>562,823</u>
Deferred income & fees in advance		
	2012	2011
	£	£
At 1 August 2011	726,698	729,523
Amounts deferred in the year	<u>253,000</u>	<u>216,500</u>
	979,698	946,023
Amount released in the year	<u>(305,000)</u>	<u>(219,325)</u>
At 31 July 2012	<u>674,698</u>	<u>726,698</u>

19 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Other operating leases	2011
	2012	£
	£	£
Expiring		
Between one and five years	<u>11,168</u>	<u>11,076</u>

20 MOVEMENT IN FUNDS

	At 1/8/11	Net	Transfers	At 31/7/12
	£	movement in	between	£
		funds	funds	
		£	£	
Unrestricted funds				
General fund	1,278,998	486,059	(155,406)	1,609,651
Building Fund	<u>2,031,384</u>	-	<u>169,953</u>	<u>2,201,337</u>
	3,310,382	486,059	14,547	3,810,988
Restricted funds				
Sally Walker Bursary Fund	795,484	72,247	(13,547)	854,184
Special Needs Appeal Fund	<u>558,953</u>	<u>9,295</u>	<u>(1,000)</u>	<u>567,248</u>
	1,354,437	81,542	(14,547)	1,421,432
TOTAL FUNDS	<u>4,664,819</u>	<u>567,601</u>	<u>-</u>	<u>5,232,420</u>

FINTON HOUSE EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 JULY 2012

20 MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,147,102	(3,659,870)	(1,173)	486,059
Restricted funds				
Sally Walker Bursary Fund	77,382	-	(5,135)	72,247
Special Needs Appeal Fund	16,076	-	(6,781)	9,295
	93,458	-	(11,916)	81,542
TOTAL FUNDS	4,240,560	(3,659,870)	(13,089)	567,601

The 10th Anniversary Special Needs Appeal Fund was established with the objective to raise funds to help cover the staffing costs of the School Special Needs Department. The assets underlying the fund balance are a managed portfolio of equities and cash. No contribution (2011, £36,000) was made in the year to general funds against relevant Special Needs costs.

The School Building Fund represents designated funds retained to finance School freehold property after deducting other loan term financing provided by fees in advance. The balance of corporate reserves, amounting to £1,526,638 (2011 £1,222,317) represents free reserves to cover normal fluctuations in working capital and further investment in school facilities.

For the Bursary Fund, the donation from the PTA of £54,662 was retained in the General Fund to meet 2012 funding requirements. As the donation was for a restricted purpose, it has been shown as such in these accounts as belonging to the Bursary Fund with a corresponding entry to transfer it back to the General Fund. An adjusting transfer of £41,115 from the General Fund to the Bursary Fund leaves a net movement for the year of £13,546 (2011 (£46,115)).

21 CONTINGENT LIABILITIES

The School has a £100,000 plus vat contingency to Trinity Fields Trust if they gain planning permission to develop the buildings on the Fields and gain other financial backing prior to renewing their lease before 2021.

The School has guaranteed a bank facility granted to Trinity Fields Trust. The maximum amount of such guarantee is £5,000 (2011 £5,000).

22 CAPITAL COMMITMENTS

There are capital commitments at the year end for the new building project of £2.2m (2011 £Nil).

23 RELATED PARTY DISCLOSURES

No related party transactions require disclosure in these accounts.

24 LIABILITY OF MEMBERS

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

FINTON HOUSE EDUCATIONAL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2012

	2012 £	2011 £
INCOMING RESOURCES		
Voluntary income		
Donations	56,012	100,050
Activities for generating funds		
Investment Income	53,008	47,261
Shop Income	<u>15,616</u>	<u>17,825</u>
	68,624	65,086
Incoming resources from charitable activities		
Gross fees	4,140,130	3,751,923
Staff Discounts & Bursaries	(124,181)	(116,489)
Registration fees	10,110	8,405
Other fees inc school clubs	<u>89,865</u>	<u>81,031</u>
	<u>4,115,924</u>	<u>3,724,870</u>
Total incoming resources	4,240,560	3,890,006
RESOURCES EXPENDED		
Costs of generating funds		
Fundraising & publicity	12,918	8,012
Shop expenditure	15,126	15,370
Finance & other costs	<u>2,115</u>	<u>2,285</u>
	30,159	25,667
Charitable activities		
Teaching Costs	2,085,263	2,005,022
Social security	184,690	152,233
Pensions	191,652	167,783
Rates and water	14,263	14,253
Insurance	22,826	21,639
Light and heat	21,235	22,795
Postage, stationery, books	(536)	-
Facilities	58,276	51,384
Teacher courses	17,931	12,005
Staff recruitment	1,533	9,931
Catering	85,052	85,763
Entertaining	14,721	15,502
Cleaning	58,853	51,457
Repairs & Maintenance	48,144	53,045
School trips	-	(3,602)
Freehold property	92,333	86,695
Plant and machinery	<u>44,278</u>	<u>37,557</u>
	2,940,514	2,783,462
Governance costs		
Professional fees	11,329	5,162
Auditors' remuneration	<u>9,000</u>	<u>8,500</u>
Carried forward	20,329	13,662

This page does not form part of the statutory financial statements

FINTON HOUSE EDUCATIONAL TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2012

	2012 £	2011 £
Governance costs		
Brought forward	20,329	13,662
Auditors' remuneration for non-audit work	<u>36,585</u>	<u>39,313</u>
	56,914	52,975
Support costs		
Other		
Salaries	398,351	377,999
Pensions & insurance	46,164	41,109
Hire of plant and machinery	8,826	8,894
School trips	2,128	-
Telephone	14,371	10,378
Consumables	134,723	113,386
Sundries	309	-
Motor	<u>27,411</u>	<u>20,824</u>
	632,283	572,590
Total resources expended	3,659,870	3,434,694
	<u>580,690</u>	<u>455,312</u>
Net income		

This page does not form part of the statutory financial statements