

ST FRANCIS' COLLEGE TRUST
(A Charitable Company Limited by Guarantee)

GOVERNORS' REPORT

AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Governors (who are also the charity's trustees and the company's directors) present their report (which, for the purposes of company law, includes the strategic report and the directors' report), together with the financial statements of the charity, for the year ended 31 August 2019. These financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The company was incorporated in 1983 and has been responsible for the College since then; however, the College has been educating girls since 1933.

The company's charity registration number is 287694 and its company registration number is 01724197. Its registered office and principal address is Broadway, Letchworth Garden City, Hertfordshire SG6 3PJ.

Governors

The Governors at the date of this report and those who served during the year are as follows:

Mr A W Goodwin* (Chairman)	Dr V A McNicholas (resigned 11 June 2019)
Mrs P J Barlow	Mr J W J Mitchell (resigned 31 August 2019)
Mrs S Boardman* (resigned 31 December 2018)	Mr C G Nott*
Mr M J Dingemans**	Dr S M Richardson
Prof D S Freeth (Resigned 11 October 2019)	Mr G D Ritchie*
Miss E Ismay*	Mrs A Aldridge* (appointed 6 September 2019)
Mrs S J Styles	

* Member of the Finance Committee throughout the period unless otherwise stated

** Joined the Finance Committee on 18 September 2019

Senior Officers and Professional Advisers

Headmistress:	Mrs B Goulding
Bursar:	Ms C Eames
Company Secretary:	Miss E Ismay
Principal Bankers:	Barclays Bank PLC, 5/6 High Street, Hitchin, Herts SG5 1BH
Solicitors:	Veale Wasborough Vizards, Narrow Quay House, Narrow Quay, Bristol BS1 4QA
Auditors:	Nicholsons, 1 st Floor, Bridge House, 25 Fiddlebridge Lane, Hatfield, Herts AL10 0SP

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management

The College is a company limited by guarantee, with no share capital, and is governed by its Memorandum and Articles of Association.

Organisational Management

The Board of Governors meets to set strategy, determine policy and review operations at least three times a year. The Board is assisted by the Finance, Academic and Estates Committees, which are led by Governors and attended by senior College staff and, occasionally, by professional advisors. The leadership and management of the College is delegated to the Headmistress, supported by the Deputy Headmistress, the Bursar, the Assistant Head, and the Head of Prep Department. The Governors also meet with the Senior Leadership Team at an 'Away Day' each year to consider broader issues.

Governing Body

The appointment, induction and retirement of governors are conducted in line with policies approved by the Board in March 2010. Nominations are usually received from Governors or the College's senior managers; new Governors may be elected at any general meeting and are selected because of the expertise they bring to the Board. All Governors receive an extensive information pack giving them information about the College, its governance, management and policies. New Governors are also provided with induction training and all Governors have the opportunity to attend further training and conferences as necessary. A Governors' handbook is issued to all Governors annually. The College is a member of the Association of Governing Bodies of Independent Schools (AGBIS) and draws on guidance issued by that body.

Children of seven governors were educated at the College and two daughters of one other Governor attended the College during the year.

Objects and activities

In accordance with its Memorandum of Association, the object of the College is to promote and provide for the advancement of the education of children in the United Kingdom and elsewhere, such education to be designed to give a sound Christian and moral basis to all children.

The College is a charitable company that seeks to benefit the public by the provision of a stimulating education, based on Christian values, which enables young women to thrive in an ever-changing global environment. The College aims to develop intellectually-creative minds through a rigorous and supportive educational experience, whilst providing every pupil with close individual care. Our community aims to value the unique contribution of each person and to promote social responsibility, self-esteem and self-development.

Objectives for the Year

Within the general framework of its strategic aims, the College's main objectives for the year were to:

- provide high quality teaching to girls aged between three and eighteen, so that they are prepared for the challenges of modern life and are able to contribute to the broader community; and
- make its services and facilities available to the wider community.

In setting these objectives, the Governors gave careful consideration to the Charity Commission's general guidance on public benefit.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Objects and activities continued.....

To achieve the first of these objectives, the College:

- sought to improve the quality of the education offered by recruiting and retaining the best available staff, providing all staff with high levels of support and professional training and appraising all staff regularly;
- increased the frequency of pupil assessments and reporting to parents;
- further widened the choice of extra-curricular and after-school activities;
- enhanced its international outlook by participating in a pupil exchange programme with the Unison World School in India and in a World Challenge expedition, and maintained its links with the Kanyike Project in Uganda, both through a visit by a number of girls and staff to the Project and through fund-raising by pupils;
- continued to monitor the well-being of pupils and provide pastoral care;
- maintained a high level of communication with all stakeholders; and
- expanded and improved the promotion of the College via its new website.

To achieve the second of these objectives, the College:

- awarded means-tested bursaries; and
- identified and acted on opportunities to make the College's resources available to state schools and other organisations operating for the benefit of young people.

STRATEGIC REPORT

Achievements and performance

Providing high quality teaching and encouraging engagement with the broader community

During the year 373 (2018: 362) pupils attended the College, of whom 67 were boarders (2018: 54).

Teaching staff took part in regular INSET training and CPD to ensure teaching was of the highest standard and reflected best practice. Academic results underline the standard of teaching; the overall A level pass rate was 100% (2018: 100%), with 42% of pupils achieving straight A*/A grades (2018: 30%). At GCSE, 73% of grades were 7-9 (2018: 60%), (or A/A* in the old grading structure.) Our results continue to be well above the national average; we are ranked 72 nationally in the Independent Schools League tables.

Pupils took part in a wide range of extra-curricular activities that spanned academic, sport, arts and community endeavours. These included participation in the Duke of Edinburgh Award Scheme, which gave pupils an opportunity to serve as volunteers in the local community. Pupils also raised funds for a variety of charities, which included the Kanyike Project (which aims to relieve poverty and provide education to children in Uganda), WWF, Make a Wish, Nets for Life, Sri Lanka Appeal. The College was awarded the Well-Being Award in January 2019.

It was another outstanding year for University applications, with 96% of our students gaining places for Higher Education and 4% taking a GAP year. They have gone on to read Engineering at Cambridge, as well as a wide range of other subjects, such as Law, Business, Psychology and Pharmacy, at top universities such as Kings, Warwick, Manchester, UCL and Exeter.

Pupils have also had considerable success at national competition level, in Science Olympiads and UKMT Maths Challenges as well as LAMBDA examinations. They have worked alongside the University of Hertfordshire on genuine research into antibiotics in the soil. Subsequently, pupils attended the National Conference and presented their work to delegates. The Year 11 and 12 cohort have been directly involved in academic research, working successfully on a genome decoding project.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

St Francis' College is the first school in the UK to take part in a systems Biology research project in collaboration with the Baliga Laboratory in Seattle. Our students are working alongside academia in genuine partnership, both benefiting from and contributing to current research.

Providing access to services and facilities to the wider community

Bursaries, scholarships and fee concessions

The College offered means-tested bursaries to parents who might not otherwise be able to afford the fees usually charged by the College. However, the College has no investments or endowments to fund bursaries so they are necessarily limited. Bursaries of £91,518 (2018: £103,940) were granted in the year to 9 pupils (2018: 11). The College also promoted achievement and access to the College by awarding academic, sports and arts scholarships of £285,123 (2018: £284,226) and by granting fee concessions of £63,037 (2018: £70,766) to staff and parents with more than one child at the College.

Access to facilities

The College made its facilities available to local state schools and a variety of organisations operating for the benefit of young people. State schools used the swimming pool free of charge and pupils from local schools were invited to participate in a variety of events such as drama and music. Letchworth Baptist Church, Letchworth & District Gang Show and other local groups also used facilities at a reduced rate. We collaborate with a local Secondary state school to provide them with Life Drawing classes.

Financial review and results for the year

The College has reported a surplus of £312,000 this year (2018: £310,000). Income increased by £27,000 to £6.48m, which was largely due to additional pupils, fee inflation and a reduction in bursaries and concessions, net of reductions in ancillary trading income. Expenditure increased by just £25,000, to £6.17m, thanks to careful cost control. Cash increased by £53,000, to £1.44m, due to the surplus made in the year. The College ended the year with net current assets of £82,000 (2018: net current liabilities of £224,000), and total net assets of £3.4m (2018: £3.1m), of which just £1,336 (2018: £1,336) is restricted.

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. On this basis, the College does not have any Reserves, because its unrestricted funds of £3.4m (comprising 99.96% of its total funds) have all been invested in tangible fixed assets for use by the College. The Governors have reviewed their Reserves policy and have concluded that they are comfortable with operating for the foreseeable future without any Reserves, and their Reserves policy is therefore now to have none. However, this does not imply any relaxation in the execution of their financial obligations towards the College, but simply acknowledges the fact that, subject to having sufficient cash (see the following paragraph), the Governors' primary aim is to provide the best possible educational facilities, which requires investment in fixed assets and therefore precludes the accumulation of Reserves by the College.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

To facilitate their primary aim, the Governors' financial efforts are centred on measures that will increase income and secure efficiency savings. They exercise robust financial control through a system of regular management reporting, credit control, budgeting and cash forecasting; these budgets and forecasts confirm that the College has sufficient cash resources to fund its activities for the foreseeable future and would enable the College to meet unforeseen costs or cover any shortfall in expected fees or other income. The primary reasons for this are that the College has made surpluses of over £300,000 in each of the last two financial years, has eliminated last year's net current liabilities and almost invariably receives cash in advance of expenditure being incurred.

Investment policy

The Governors have the power to invest the College's funds as they see fit. However, as relatively little surplus cash was held, and returns on interest-bearing deposits were poor, cash was held in instant-access accounts and investment returns were negligible.

Future plans

The Governors intend to continue their current strategies of increasing pupil numbers through active marketing and maintaining the School's position in a competitive market by providing a high quality education for our girls and encouraging wider engagement with the broader community.

Long leasehold properties

In the opinion of the Governors, the value of long-leasehold properties is substantially greater than their book value but no useful purpose would be served by having them valued professionally. The property has been revalued for insurance purposes within the past five years.

Risk Management

With the assistance of the Bursar, the Governors have assessed the major risks to which the College is exposed and have satisfied themselves that systems have been established, or that other appropriate measures have been taken, to mitigate those risks, insofar as is reasonably practicable, but it is recognised that systems cannot give absolute assurance that risks have been eliminated. Procedures are in place to monitor health, safety, welfare (including safeguarding) and ongoing financial viability, and to implement any recommendations made following internal or external reviews, for example, ISI inspections. The Governors and the Senior Leadership Team continue to keep the College's activities under review, including consideration of any major risks that might be present from time to time. The principal risk faced by the College is cash depletion, which could jeopardise the ability of the College to function. As noted in the Financial Review, measures are being taken to address this threat.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Statement of Governors' responsibilities

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Governors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and their application, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Governors are required to:

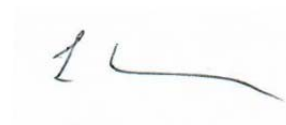
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

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

So far as the Governors are aware:

- there is no relevant audit information (information needed by the charitable company's auditors in connection with their work) of which the charitable company's auditors are unaware, and
- they have taken all the steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Board of Governors at its meeting on 22 November 2019 and signed by order of the Board by:



Miss E Ismay
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Opinion

We have audited the financial statements of St Francis College Trust (the "Charity") for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2018 and of 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.

Basis of 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 section of this report headed 'Our responsibilities for the audit of the financial statements'. We are independent of the Charity 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 (who are also the directors of the Charity for the purposes of company law and its trustees for the purposes of charity law):

- have used the going concern basis of accounting in the preparation of the financial statements when it is not appropriate; or
- have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity'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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Other information

The Governors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our 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' annual report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' annual report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Companies Act 2006

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' annual report.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Responsibilities of the Governors

As explained more fully in the Statement of Governors' Responsibilities statement (set out on page 6), the Governors 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



Peter McKay BSc ACA (Senior Statutory Auditor)
for and on behalf of Nicholson
Chartered Accountants & Statutory Auditors
1st Floor, Bridge House
25 Fiddlebridge Lane
Hatfield
Hertfordshire
AL10 0SP

22 November 2019

ST FRANCIS' COLLEGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted Fund £	Total 2019 £	Total 2018 £
INCOME:					
Donations		-	6,546	6,546	1,292
Charitable activities					
College fees	3	5,772,226	-	5,772,226	5,528,656
Other educational activities	3	379,184	-	379,184	417,316
Ancilliary trading income	3	189,082	-	189,082	368,297
Other trading activities	4	135,131	-	135,131	139,315
Interest receivable		-	-	-	-
Total incoming resources		<u>6,475,623</u>	<u>6,546</u>	<u>6,482,169</u>	<u>6,454,875</u>
EXPENDITURE:					
Charitable activities					
College operating costs	7	6,163,531	6,546	6,170,077	6,144,503
Total expenditure	5	<u>6,163,531</u>	<u>6,546</u>	<u>6,170,077</u>	<u>6,144,503</u>
NET INCOME		312,092	-	312,092	310,372
Funds brought forward 1 September 2018		3,097,442	1,336	3,098,778	2,788,405
Funds carried forward 31 August 2019	14	<u>3,409,534</u>	<u>1,336</u>	<u>3,410,870</u>	<u>3,098,777</u>

All incoming resources and resources expended are derived from continuing operations.

As depreciation has again not been charged this year on long leasehold property, the net surplus on an historical cost basis was also £312,093 (2018: £310,372).

The notes on pages 13 to 23 form part of these financial statements

ST FRANCIS' COLLEGE TRUST
(COMPANY NUMBER: 01724197)

BALANCE SHEET AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	8		4,086,573		4,168,449
CURRENT ASSETS					
Debtors	9	199,104		149,529	
Cash at bank and in hand		1,441,145		1,387,515	
		<u>1,640,249</u>		<u>1,537,044</u>	
CREDITORS: Amounts falling due within one year	10	<u>1,577,990</u>		<u>1,761,294</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>62,259</u>		<u>(224,251)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,148,832		3,944,199
CREDITORS: Amounts falling due after more than one year	11		737,962		845,421
TOTAL NET ASSETS			<u><u>3,410,870</u></u>		<u><u>3,098,778</u></u>
FUNDS OF THE CHARITY:					
Restricted funds	14		1,336		1,336
Unrestricted funds (including revaluation reserve of £52,225 (2018: £52,225))	14		3,409,534		3,097,442
TOTAL FUNDS	14		<u><u>3,410,870</u></u>		<u><u>3,098,778</u></u>

Approved by the Board on 22 November 2019

and signed on its behalf by:



AW Goodwin - Chairman of Governors



CG Nott - Governor

The notes on pages 13 to 23 form part of these financial statements

ST FRANCIS' COLLEGE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

	2019		2018	
	£	£	£	£
Cash flows from operating activities				
Net movement in funds		312,092		310,373
Interest receivable	-		-	
Interest payable	16,445		21,040	
Depreciation	108,771		135,441	
(Increase) decrease in debtors	(49,575)		1,132	
Decrease in creditors	(207,665)		(32,896)	
		(132,024)		124,717
Cash generated by operating activities		180,068		435,090
Cash flows from investing activities				
Purchase of tangible fixed assets	(26,895)		(62,580)	
Net cash used by investing activities		(26,895)		(62,580)
Cash flows from financing activities				
Bank loan repayments	(83,098)		(79,145)	
Hire purchase and finance lease repayments	-		(6,533)	
Interest	(16,445)		(21,040)	
Net cash used by financing activities		(99,543)		(106,718)
Change in cash in year		53,630		265,792
Cash at the beginning of the year		1,387,515		1,121,723
Cash at the end of the year		1,441,145		1,387,515

The notes on pages 13 to 23 form part of these financial statements

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. COMPANY INFORMATION

The charitable company is incorporated in England & Wales; the address of the company's registered office is Broadway, Letchworth Garden City, Hertfordshire SG6 3PJ.

2. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 (effective 1 January 2015). The College meets the definition of a public benefit entity set out in FRS102. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of the College's residential leasehold property in 1996.

Financial instruments

The financial assets and financial liabilities of the College are all basic financial instruments, as defined by FRS102. Bank loans, hire purchase and finance leases, repayable acceptance fees and fees billed in advance for more than one term are initially recognised at transaction value and measured subsequently at amortised cost. All other financial instruments are initially recognised at transaction value and measured subsequently at their settlement value.

Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised at cost, inclusive of any incidental expenses of acquisition. The Governors review the College's fixed assets annually for any indications of impairment and make provisions as necessary. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Long leasehold properties	- when preparing the 2017 accounts, the Governors reconsidered the residual value of the College's long leasehold properties in the light of FRS 102 and determined that it was similar to their net book value. They therefore resolved not to depreciate these assets further. Consequently, it is only additions to long leasehold properties (and not long leasehold properties themselves) that have been depreciated since 1 September 2017.
Improvements to leasehold properties	- at rates varying between 4% and 10% on cost
Motor vehicles	- 20% on cost
Fixtures, fittings, furniture and equipment	- at rates varying between 10% and 33% on cost
Computers	- 25% or 33% on cost

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. ACCOUNTING POLICIES *continued*

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the College and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the College for particular purposes. The aim and use of each restricted fund is set out in these notes to the financial statements.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the performance conditions attached to the income have been satisfied, receipt is probable, and the income receivable can be measured reliably.

Amounts billed for termly fees and extra-curricular activities are recognised as incoming resources when receivable. Amounts received prior to the balance sheet date for subsequent terms are recorded as fees received in advance. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the College.

Resources expended

Expenditure is recognised when there is a legal or constructive obligation for a payment to a third party, settlement is probable and the amount of the obligation can be measured reliably. Value added tax is not recoverable and is therefore included in the relevant expense.

All expenditure is classified under headings that aggregate all costs related to the category; where costs cannot be attributed directly to particular headings, they are allocated to activities on a basis consistent with the use of the resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company. They include the cost of board meetings, Governors' insurance and audit fees.

Pension Schemes

The College contributes to the Teachers' Pension Defined Benefits Scheme, which is a multi-employer pension scheme, at rates set by the Scheme Actuary and as advised to the College by the Scheme Administrator. It is not possible to identify the assets and liabilities that are separately attributable to the College and therefore, in accordance with FRS102, the scheme is accounted for as a defined contribution scheme. Contributions payable for the year, as advised by the Scheme Administrator, are charged to the SOFA.

For non-teaching staff, the College also contributes to individual personal pension schemes. These are all defined contribution schemes. Contributions payable for the year are charged to that year's SOFA.

Operating Leases

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

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

3. INCOME FROM CHARITABLE ACTIVITIES

	2019 £	2018 £
College fees		
Gross tuition fees	6,229,054	6,005,863
Less: scholarships, bursaries, discounts and allowances	(456,828)	(477,207)
	<u>5,772,226</u>	<u>5,528,656</u>
Other educational income		
Language, music, dance and other tuition	256,146	277,451
College trips and courses	113,551	126,700
Other activities	9,487	13,165
	<u>379,184</u>	<u>417,316</u>
Ancillary trading income		
College meals	-	140,333
Coach, taxis and other pupil travel	135,409	139,609
Exam fees	9,211	33,538
Pupil insurance	10,418	11,246
Registration & entrance fees	11,565	13,098
After-school clubs	4,908	7,637
Other activities	17,571	22,836
	<u>189,082</u>	<u>368,297</u>

As of 1 September 2018, the charity no longer bills separately for college meals or many exam fees; the income in respect of college meals and some exam fees is therefore now included in 'gross tuition fees', under 'college fees'.

4. ACTIVITIES FOR GENERATING FUNDS

	2019 £	2018 £
Letting of College facilities	95,869	102,015
Letting for Summer School	33,762	37,300
Non-repayable acceptance fees and charges for late fees	5,500	-
	<u>135,131</u>	<u>139,315</u>

5. EXPENDITURE

The year's surplus is stated after charging:

	2019 £	2018 £
Depreciation – owned assests	108,772	125,054
Depreciation – hire purchase and finance lease assets	-	10,387
Operating lease rentals	44,188	39,687
Auditors' remuneration for audit	7,000	7,000
Auditors' remuneration for other services	5,000	5,000
Bank loan interest	16,445	19,594
Hire purchase and finance lease interest	-	1,447
Governors' liability insurance	876	834

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

6. STAFF COSTS

Staff costs comprise:

	2019	2018
	£	£
Salaries and wages	3,067,700	3,014,625
Social security	288,044	290,418
Pension contributions	376,492	353,798
	<u>3,732,235</u>	<u>3,658,841</u>

The average weekly number of employees during the year was as follows:

	2019		2018	
	Individuals	Full-time equivalent	Individuals	Full-time equivalent
Teaching staff	79	63	74	52
Non-teaching staff	37	28	42	33
	<u>116</u>	<u>91</u>	<u>116</u>	<u>85</u>

One employee (2018: one employee) received emoluments that fell in the band between £100,000 and £110,000. With respect to this employee, the College is contributing to a defined benefit pension scheme.

One employee (2018: nil) received emoluments that fell in the band between £60,000 and £70,000. With respect to this employee, the College is contributing to a defined contribution pension scheme.

During the year, no remuneration (2018: £nil) was paid to Governors. In addition to the Governors, the key management personnel of the College included the Headmistress, the Deputy Headmistress, the Director of Studies, the Head of Prep Department and the Bursar. The aggregate employment payments to or for these employees amounted to £382,160 (2018: £430,703). The decrease in cost is mainly due to there being an extra Deputy Headmistress in 2018.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depreciation £	2019 Total £	2018 Total £
Charitable activities					
College operating costs					
Teaching	3,233,655	341,694	27,162	3,602,511	3,595,916
Welfare	-	782,356	8,381	790,737	724,555
Premises	173,615	507,922	58,667	740,204	879,510
Support	455,995	540,240	14,562	1,010,797	937,088
Governance	-	25,828	-	25,828	7,434
Total resources expended	<u>3,863,265</u>	<u>2,198,040</u>	<u>108,772</u>	<u>6,170,077</u>	<u>6,144,503</u>

Staff costs include payments of £131,029 (2018: £114,111) to peripatetic and agency staff.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

8. TANGIBLE FIXED ASSETS

	Long Leasehold Land and Property £	Motor Vehicles £	Fixtures, Fittings, Furniture and Equipment £	Computers £	Total £
COST OR VALUATION					
At 1 September 2018	5,336,151	97,584	1,603,973	356,475	7,394,183
Additions	-	-	20,078	6,816	26,895
At 31 August 2019	<u>5,336,151</u>	<u>97,584</u>	<u>1,624,051</u>	<u>363,291</u>	<u>7,421,078</u>
DEPRECIATION					
At 1 September 2018	1,464,493	87,282	1,348,103	325,856	3,225,734
Charge for the year	-	10,302	83,810	14,659	108,771
At 31 August 2019	<u>1,464,493</u>	<u>97,584</u>	<u>1,431,913</u>	<u>340,515</u>	<u>3,334,505</u>
NET BOOK VALUE					
At 31 August 2019	<u>3,871,658</u>	<u>-</u>	<u>192,138</u>	<u>22,776</u>	<u>4,086,573</u>
At 31 August 2018	<u>3,871,658</u>	<u>10,302</u>	<u>255,870</u>	<u>30,619</u>	<u>4,168,449</u>

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

8. TANGIBLE FIXED ASSETS (continued)

The College's residential long-leasehold property was revalued on 31 August 1996 to its open market value of £125,000 by the Governors. As permitted by FRS102, this valuation has not been updated.

If the residential long-leasehold property had not been revalued, it would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>45,000</u>	<u>45,000</u>
Aggregate depreciation	<u>18,736</u>	<u>18,736</u>
Net book value	<u>26,264</u>	<u>26,264</u>

In the opinion of the Governors, the College's long leasehold properties have market values that are higher than their carrying values; however, they have not attempted to quantify the difference.

All tangible fixed assets are used for charitable activities.

9. DEBTORS

	2019 £	2018 £
Debtors for billed fees and invoiced lettings	37,231	27,996
Prepayments and accrued income	<u>161,873</u>	<u>121,533</u>
	<u>199,104</u>	<u>149,529</u>

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

10. CREDITORS: Amounts falling due within one year

	2,019	2,018
	£	£
Bank loan	84,609	81,013
Trade creditors	215,918	172,081
Fees received in advance	989,446	1,203,814
Repayable acceptance fees	101,498	107,719
Social security and other taxes	70,879	71,822
Other creditors	48,515	59,912
Accrued expenses	67,125	64,933
	<u>1,577,990</u>	<u>1,761,294</u>

The College receives acceptance fees when pupils join and these are repayable when they leave. Acceptance fees held for pupils who have left, or who are expected to leave before the next balance sheet date, are included within creditors falling due within one year, with the balance shown as repayable after one year.

11. CREDITORS: Amounts falling due after more than one year

	2,019	2,018
	£	£
Bank loan	459,635	546,329
Repayable acceptance fees	241,679	281,527
Fees received in advance	36,648	17,565
	<u>737,962</u>	<u>845,421</u>

12. FEES RECEIVED IN ADVANCE

Fees received in advance comprise the following:

	2019	2018
	£	£
Received in respect of fees due for the new academic year	989,446	1,203,814
Fees billed in advance for more than one academic year	36,648	17,565
	<u>1,026,094</u>	<u>1,221,379</u>

Assuming all pupils remain in the College, fees billed in advance for more than one academic year in 2019 and 2018 will all be released within one year of the balance sheet date.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

12. FEES RECEIVED IN ADVANCE continued

The movement during the year in respect of fees billed in advance for more than one accademic year was as follows:

	£
Balance at 1 September 2018	17,565
Amounts received in the year	36,648
Amounts utilised for the payment of fees	(17,565)
Balance at 31 August 2019	<u>36,648</u>

13. BANK LOANS, HIRE PURCHASE AGREEMENTS AND FINANCE LEASES

The College's borrowings mature as follows:

	2019 £	2018 £
Bank loans:		
In less than one year	84,609	81,013
In more than one year but less than two years	87,183	83,477
In more than two years but less than five years	277,783	265,976
After five years	94,669	196,876
	<u>544,244</u>	<u>627,342</u>

Bank borrowings are secured on the College's assets. The College's bank loans of £544,244 are repayable in monthly instalments by April 2025; interest is payable at a variable rate, which at the balance sheet date was 3% pa.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 August 2019 are represented by:			
Tangible fixed assets	4,086,573	-	4,086,573
Current assets	1,638,913	1,336	1,640,249
Creditors due within one year	(1,577,990)	-	(1,577,990)
Creditors due after one year	(737,962)	-	(737,962)
	<u>3,409,534</u>	<u>1,336</u>	<u>3,410,870</u>

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

14. STATEMENT OF FUNDS continued

	Balance at 1 September 2018 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 August 2019 £
Unrestricted funds	<u>3,097,442</u>	<u>6,475,623</u>	<u>6,163,531</u>	<u>-</u>	<u>3,409,534</u>
Restricted funds:					
Equipment Fund	<u>1,336</u>	<u>6,546</u>	<u>6,546</u>	<u>-</u>	<u>1,336</u>
Total funds	<u>3,098,778</u>	<u>6,482,169</u>	<u>6,170,077</u>	<u>-</u>	<u>3,410,870</u>

The Equipment Fund comprises donations and grants received to purchase specific items of equipment. If there is no restriction on how or where the equipment is to be used, then, once the purchase has been made, the cost of the equipment is transferred to unrestricted funds. The balance of the fund represents unspent cash.

15. TAXATION

The charitable company is a registered charity and is exempt from taxation on income arising from and expended on charitable activities; no liability for taxation has arisen during the year.

16. COMMITMENTS UNDER OPERATING LEASES

Annual commitments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Expiring:		
- within one year	-	13,952
- between two and five years	<u>63,957</u>	<u>70,548</u>
	<u>63,957</u>	<u>104,142</u>

17. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member, in the event of a winding-up, is limited to £1.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

18. PENSION SCHEMES

The College participates in the Teachers' Pension Scheme (England and Wales) ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £360,500 (2018: £344,472). At the year-end, £45,091 (2018: £45,524) was owed in respect of this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. 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 from public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The latest valuation report in respect of the TPS was prepared as at 31 March 2012 and was published in June 2014. This report stipulated that the employer contribution rate for the TPS should increase from 14.1% to 16.4%, although, recognising that teaching establishments work on an academic and not a financial year, the Government deferred the implementation of this increase to 1 September 2015.

The most recent actuarial valuation was as at 31 March 2016, published on 5 March 2019. This has set the new employer contribution rate at 23.6%, an increase of 44%.

To comply with legislation, employees who did not already participate in a workplace pension scheme were enrolled automatically into a new group personal pension plan on 1 May 2014. This scheme is a defined contribution scheme and employees have the right to opt out of it. Contributions to this scheme and to other defined contribution schemes are held in funds administered independently by insurance companies.

The College's total pension contributions payable for the year were £376,492 (2018: £353,798). At the balance sheet date, the College owed pension contributions of £45,902 (2018: £49,362).

19. ULTIMATE CONTROLLING PARTY

The College is controlled by the Board of Governors.

20. RELATED PARTY TRANSACTIONS

No remuneration or expenses was paid to any Governor during the year, but the College did pay £876 (2018: £834) for Governors' indemnity insurance. During the year, one Governor (2018: one) was charged tuition fees of £33,691 (2018: £33,870), on the same terms as other parents. Two members (2018: two different members) of the Senior Leadership Team were charged tuition fees totalling £11,458 (2018: £26,489), after receiving the usual discounts available to staff members.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Fund £	Total 2018 £
INCOME:			
Donations	-	1,292	1,292
Charitable activities:			
College fees	5,528,656	-	5,528,656
Other educational activities	417,316	-	417,316
Ancillary trading income	368,297	-	368,297
Other trading activities	139,315	-	139,315
Interest receivable	-	-	-
Total incoming resources	<u>6,453,584</u>	<u>1,292</u>	<u>6,454,876</u>
EXPENDITURE:			
Charitable activities:			
College operating costs	6,143,211	1,292	6,144,503
Total expenditure	<u>6,143,211</u>	<u>1,292</u>	<u>6,144,503</u>
NET INCOME	310,373	-	310,373
Funds brought forward 1 September 2017	2,787,069	1,336	2,788,405
Funds carried forward 31 August 2018	<u>3,097,442</u>	<u>1,336</u>	<u>3,098,778</u>

22. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial liabilities measured at amortised cost	<u>924,069</u>	<u>1,034,153</u>
Interest on financial liabilities measured at amortised cost	<u>16,445</u>	<u>21,040</u>

Financial instruments measured at amortised cost comprise bank loans, hire purchase and finance leases, repayable acceptance fees and fees billed in advance for more than one term.