

Charity Registration No. 1099060

Company Registration No. 4788370 (England and Wales)

ST JAMES' SCHOOL, GRIMSBY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2019

ST. JAMES' SCHOOL, GRIMSBY LIMITED

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ST. JAMES' SCHOOL, GRIMSBY LIMITED

COMPANY INFORMATION YEAR ENDED 31ST AUGUST 2019

DIRECTORS AND ADVISORS

Directors

R.D. England (Chairman)
Mrs. J.M. Bass (Vice Chair until July 2019) –
Resigned 4th July 2019
A.M. Whitworth (Vice Chair from July 2019)
P.N. Lynch (Resigned 1st November 2018)
I.R. Sanderson
J.J.M. Shaw
D.C. Palmer (Resigned 3rd September 2019)
Mrs. R.L. Haith
A.E. Baxter
J. Pridgeon
J.M. Woolner
J. Lockwood
T.Furneaux – Appointed 27th February 2019

Secretary

A. Major

Charity No.

1099060

Company No.

4788370

Principal address and Registered Office

St. James' School, Grimsby
22 Bargate
Grimsby
DN34 4SY

Key Management Personnel

Head

Dr. J.M. Price (Resigned 31st August 2019)
R.G. Murray (Appointed 1st August 2019)

Bursar

A. Major

Auditors

RSM UK Audit LLP
5th Floor, Central Square
29 Wellington Street
Leeds
LS1 4DL

Bankers

Svenska Handelsbanken
Unit 7, Europa Park
Appian Way
Grimsby
DN31 2UT

ST. JAMES' SCHOOL, GRIMSBY LIMITED

COMPANY INFORMATION YEAR ENDED 31ST AUGUST 2019

Solicitors

Bridge McFarland
19 South St. Mary's Gate
Grimsby
DN31 1JE

Wilkin Chapman
Cartergate House
26 Chantry Lane
Grimsby
DN31 2LJ

Insurance Brokers

Zurich Municipal
Zurich House
2 Gladiator Way
Farnborough
Hampshire
GU14 6GB

ST. JAMES' SCHOOL, GRIMSBY LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2019

The directors present their report and financial statements for the year ended 31st August 2019 and confirm they comply with the requirements of the Charities Act 2011, including the Directors' Reports, under the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE INFORMATION

The charity was formed in June 2003 and is registered with the Charity Commission as charity number 1099060. The charity is a limited liability company and wholly owned subsidiary of The Woodard Corporation (charity number 1096270). Directors of the Company are also Fellows (members) of the Woodard Corporation and participate in the election of its board of management and are committed to its charitable objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by Articles of Association as adopted by Special Resolution dated 20th March 2013, replacing those dated 8th June 2003 amended by Special Resolutions dated 25th January 2006, 28th April 2009 and 23rd June 2009. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The Articles of Association forbid the distribution of any property or funds, which are to be applied solely towards the promotion of the objects of the company.

Governing Body

The governors are the directors and charitable trustees of the company and comprise the governing body of St. James' School, Grimsby and are elected to hold office for five years. The school is governed by the governing body which operates using a number of committees. Membership of each committee is outlined on page 13. The governing body met 4 times during the year.

Recruitment and Training of Governors

All governors are Corporate Fellows of the Woodard Corporation. Corporate Fellows are responsible for electing the Woodard Corporation Board. Governors are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The governing body look to ensure a mix of skills and select new governors on the basis of background, competence, specialist skills and, in the case of Fellows, Christian commitment. Governors are provided with induction training by the Head, Bursar and staff and a wider programme of training events is organised by the Woodard Corporation. The school is also a member of the Association of Governing Bodies of Independent Schools (AGBIS). This allows the governors to attend further training and access a wide variety resources.

Where possible the governors consider that the skills and experience of the Board should comprise the following:

- A Governor with a financial/accounting background. – R.D. England MBA
- A Governor with education experience. – I.R. Sanderson
- A Governor with senior managerial or business experience. – Mrs. R.L. Haith
- A Governor with experience of equal opportunities or disability needs. – R.D. England
- At least one female Governor and at least one male Governor.

One Governor may have one or more of these skills.

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DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2019

Volunteers

Governors are volunteers providing their time for free to support the governance of the school. The school also relies on a number of others to undertake volunteer roles including parents who assist with trips and sports fixtures, members of the PTA who organise parties and the summer fair, and work placement students who are invaluable within the classroom.

Organisational Management

The school is governed by the governing body which delegates work to a number of committees. Membership of each committee is outlined on page 13. The directors determine the general policy of the company.

Finance and Resources Committee – the Finance Committee has a remit to consider budgets, both revenue and capital, cash flow information and financial reports, including the financial statements. It also considers financial policies and the financial regulations. It makes recommendations to the governing body for approval. The Finance Committee met 11 times during the year.

Academic Committee – the Academic Committee is responsible for oversight of the academic performance of the school and educational policy, making recommendations to the governing body. It met 4 times during the year.

Strategy Committee – This matter is the responsibility of the School Council.

The day to day management of the company is delegated to the Head and the Bursar as the key management personnel, overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration is undertaken within the policies and procedures approved by the governors which provide for only significant expenditure decisions and major capital projects to be referred to the governors for prior approval.

The Head oversees the recruitment of all educational staff, whilst under delegated authority the Bursar oversees the recruitment of administrative and non-teaching support staff. The Head and Bursar are invited to attend governors' meetings.

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the school's success.

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

We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the school's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Group Structure and Relationships

The school has developed links with a wide range of organisations to ensure the widest possible access to our facilities and schooling. Through membership of ISA and through networking with peer groups we ensure that we are able to attain the highest standards of quality and performance. We encourage our pupils to develop an awareness of the social context of the all-round education they receive at the school and they are engaged in a number of activities to enhance their understanding. We have a thriving alumni group, the Old Jacobbeans, who are generous in supporting the work of the school and whose support we greatly appreciate. We also cooperate with many local charities (NSPCC, R.N.L.I., St. Andrew's Hospice) in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the educational use of our cultural and sporting facilities and to awaken in our pupils, in the public interest, an awareness of the social context of the all-round education they receive.

Employment Policy

We are an equal opportunity organisation and are committed to a working environment that is free from

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

CHARITABLE OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The charity's objects, as set out in the Articles of Association, are to promote and extend education (including spiritual, moral, social, cultural and physical education) in accordance with the doctrines and principles of the Church. The Church is defined as being the Church of England and churches in full communion with the See of Canterbury.

Intended impact

Woodard schools strive for the best all round education of every aspect of each individual; they ensure high standards of religious education; and they see themselves as communities working together for the benefit of all members, the Church and the nation. They are strong Christian foundations which adhere to catholic belief as found in the Church, to Christian worship focused in the Eucharist, and to the care of each individual and the whole school community particularised in the ministry of the Chaplain.

Aims

St. James' School is a boarding and day school for pupils from the ages of 2 to 18. It aims to support children in reaching their potential in all areas of their activity at the school, and in the wider community. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or dance. We produce 'well rounded' individuals who are able to make a positive contribution to society. All Woodard schools aim to provide a rounded education to help the pupils to make their way in adult life.

Primary objectives

The primary objectives of St. James' School to fulfil these aims are:

- to provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- to provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, respect for one other and good citizenship;
- to provide pupils with the opportunity to take advantage of a breadth of co-curricular activities in order to develop positively all aspects of their character;
- to provide pupils with the opportunity to take decisions based on their own judgment and to communicate those decisions appropriately and effectively;
- to provide financial support to enable children whose parents are unable to afford the full fees to benefit from a St. James' education;
- to provide a clear, simple and effective management structure capable of taking timely decisions and allocating necessary resources appropriately, and
- to provide the necessary administrative and logistical framework to meet the needs of members of staff and pupils alike.

Strategies to achieve the primary objectives

Again, this year our focus has been on extending the range of academic and extra-curricular opportunities for all pupils and to further extend access to school facilities for the local community.

In line with current academic trends, we have been redesigning the curriculum to reflect the needs of a modern education, whilst at the same time maintaining the traditional core values and principles.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

Principal Activities of the Year

The principal activity of the school is the delivery of education to pupils ranging from 2 to 18 years of age. We also run a number of summer school activities and the school is open at other times for use by the local community. Pupil numbers at the school during the year were as follows:

	2018/2019		2017/2018	
Senior School	97	(27 boarders)	92	(20 boarders)
Preparatory School	102	(2 boarders)	106	(1 boarder)
Pre-Preparatory School	40		49	
Total	<u>239</u>		<u>247</u>	

	2018/2019		2017/2018	
	Boys	Girls	Boys	Girls
Senior School	59	38	53	39
Preparatory School	58	44	53	53
Pre-Preparatory School	19	21	27	22
Total	<u>136</u>	<u>103</u>	<u>133</u>	<u>114</u>

Public Benefit

Within the objects, the school aims to create an environment to nurture children, to get the best from them and to allow them to develop and fulfil their potential. We provide them with a first class independent education and a wide range of sporting and artistic opportunities. Our public benefit aim is that all pupils will be self-confident and desire to contribute to the wider community.

In the furtherance of these aims the St. James' School governors, as the charity trustees, have complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the public benefit requirement under that Act.

Woodard and its schools provide a significant benefit to the public. The school strives to ensure that measures of public benefit are appropriate, and that significant sections of the public are not excluded from the opportunity to benefit from the education and facilities offered due to the need to pay a fee. In addition to significant provision of bursaries and other forms of financial support, the school provides a wide range of opportunities for community benefit and facilities and events are often open to all. Further detail of the public benefit offered is included in the section entitled 'Review of Achievements and Performance for the Year' below.

It is a key requirement of evidencing public benefit that any private benefit to individuals or elements of the charity will be incidental to the charity's objectives. An example of private benefit may be the reimbursement of travelling expenses for trustees attending training courses: any private benefit to individuals or elements of Woodard are incidental to delivery of the charitable objectives.

Bursaries & Scholarships

Bursaries

The governors view our bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk for example in the case of redundancy. In assessing means we use the methodology promulgated by the Independent Schools' Bursars Association, which takes a number of factors into consideration including family income, investments and savings and family circumstances for example dependant relatives and the number of siblings. Our school does not have an endowment and in

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funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards range from 10% to 100% remission of fees. We also advertise the awards each year in the local press. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary. Further details of our bursary policy and how to apply are available on our website.

This year the value of means tested bursaries totalled £18,287 and represented 0.8% of our gross fees. They provided assistance to 13 of our pupils.

Scholarships

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees of between 5% and 77%. We advertise the availability of scholarship awards each year in the local press. Further details of our scholarship policy are available on our website.

The school awarded academic scholarships to 24 pupils, based on their educational merit and potential, totalling £80,377 and representing 3.6% of our gross fees. The School also awarded a Golf Scholarship to 1 pupil, totalling £6,385, Choral Scholarships to 2 pupils, totalling £11,385 and Academy Girls' Choir Scholarship to 1 pupil, totalling £1,283. Total Scholarships awarded of £99,430 represents 4.4% of the schools gross fees. Of this number, 5 also qualified for means-tested bursary support and are included in the figures relating to bursary awards.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews. The availability of all such awards for fee-assistance, together with the terms and conditions for each kind of award, is advertised on our website at www.saintjameschool.co.uk.

Review

The school includes details of the various concessions in the prospectuses and on the website. All parents making enquiries about possible entry are provided with a description of the criteria for bursaries and scholarships. In most cases the budget for bursaries is allocated using a "needs blind" approach as far as possible, whilst giving priority to the continuity of education of those pupils already at the school. All criteria and policies relating to concessions are kept under review and are updated when necessary.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

The Promotion of Education

During the year we educated an average of 239 children between the ages of 2 and 18. The school provides a very high standard of education and this is validated in review of the academic results, our measurements of added value and through external inspection. The school offers a broad curriculum and educates children with a wide range of ability. We can demonstrate particular excellence in Mathematics and Science. Our aim is to support children in reaching their potential in all areas of their activity at the school. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport, music or dance. We produce 'well rounded' individuals who are able to make a positive contribution to society.

Two important contributors to our success are the strength of our pastoral care (where pupils feel secure

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and therefore able to learn) and our extra-curricular provision. We offer over forty five clubs a week and compete successfully against many local State schools in a variety of sporting activities. As a Centre for both the Associated Board of Music and LAMDA, a very high proportion of our pupils successfully take examinations to the highest level and our Centre welcomes candidates from other schools as well.

Parents of pupils at the school often make significant sacrifices to pay the fees. In educating over 200 UK based pupils, parents help to relieve the state of the financial burden of paying for their children's education. The saving to the public purse is estimated to have a value in the last year of £1,340,220.

Unlike schools in the maintained sector, the school is unable to recover the VAT on most of the purchases that we make. During the past year, we paid an estimated £48,500 in VAT on goods and services.

Academic Results

The educational performance of the school was very good, as demonstrated by the public examination results. Key stage 2 results were extremely pleasing, with many students exceeding their expectations. The school achieved 82% of its Year 11 students gaining 5 or more Grades 4 to 9 grades for GCSE against the national average of 63.7%, 43% of these results were at Grade 7 and above, with 13% of all results being at Grade 9. This set of results demonstrates a significant improvement in terms of value added performance. Year 13 gained some very pleasing Advanced Level passes, with 100% continuing on in to higher education at good quality universities of their choice.

The school aims to provide a rounded education to help the pupils to make their way in adult life and a very high proportion of students actively participate regularly in a wide variety of academies, clubs and extra-curricular activities, including Golf, Horse Riding, Tennis, Squash, Shooting, Debating, Computing, Karate, to back up the more traditional Music, Football, Netball, Swimming, Table-Tennis and academic clubs.

Improving Facilities

We continue to improve facilities through constant investment in the fabric of the buildings and assets, and programmes to provide the best facilities to support teaching and learning. This year we have invested in additional computer hardware and infrastructure across the Campus to improve the existing provision.

Arts, Music and Drama

One of the important elements of any Woodard school is the concentration on arts, music and drama. St. James' School is involved in all different aspects of these activities with a number providing the training necessary to pass graded exams set by national institutions. We achieved a notable 100% successes at distinction level in the highest grades in LAMDA.

Our pupils and staff pride themselves on the quality of our choirs and related choral work. Events vary in their nature and complexity and choirs are often invited to support civic and community events, which this year saw numerous invitations to sing in the Mayoral parlour at civic functions.

We have numerous smaller ensembles, chamber groups, and other groupings that flourish alongside the large choirs and orchestras.

We stage ambitious musical and theatre productions, including the annual Foster Memorial Concert, and regular Musical Interludes.

Sport

The enormous range of sports offered at St. James' School reflects the importance given to sporting activity and physical education. Sports include swimming, badminton, football, tennis, table tennis, cross country, basketball, athletics, rounders, and golf.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

Significant Events

The move to the new Boarding House has been an exciting venture which has been in the planning stage for several years, and is finally coming together. The Boarding pupils were involved in this process and we have received very positive feedback from them regarding the new accommodation. The building was officially opened by Rear Admiral Sir Robert Woodard in November 2018, having been renamed Woodard House.

Wider Education

We provided opportunities for 6 work experience places for pupils from our local comprehensive schools. We are also committed to providing opportunities for students at university to gain practical teaching experience as part of their PGCE teacher training course. During the year 6 students were given such an opportunity across all three departments of the School.

Community

Through development of, and provision of access to new facilities, the school remains at the heart of the community. Facilities made open to the public include:

- We operate an after-school and holiday club for local children
- The Grimsby, Cleethorpes and District Youth Orchestra make use of our Markham Hall and Master's Room on a weekly basis
- We enter external candidates for examinations which they would not otherwise be able to access
- Our sports field is now the home of Grimsby Borough Junior Football Club

Outreach

The senior school has a formal partnership scheme with the local College, Grimsby Institute, whereby the younger sibling from abroad may be educated and board at St. James' School and the older sibling may attend the Institute /University to study and be resident there.

The partnerships with Laceby Manor Golf Club and Cottagers Plot Riding School continued to grow during this academic year, and a new link has been established with White Lodge Shooting School.

Charitable Activities

The school community takes part in a wide range of sponsored events and other fundraising activities. During the year we managed to raise in excess of £1,500 to help these projects.

Fundraising Performance

Fundraising and the ongoing work of raising voluntary funding for the school in Grants and donations totalled £4,674 (2018: £110,832), including restricted income donations of £4,456 (2018: £9,392).

Key Performance Indicators

The Key Performance Indicators (KPIs) used by the school are:

KPI	Target	Actual
Surplus	£10,000	£13,458
Pupil Numbers	250	239
Total salaries to income from Charitable activities.	75%	69.4%

The school had a good year and exceeded the financial targets.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

FINANCIAL REVIEW

Results for the Year

The net incoming resources for the year amounted to £13,458 and this was the operating surplus on school activities. This was in line with our targeted surplus set out in our long term plans. Gross fee income for the year was up by some 7.3% on last year, due to increased numbers in Boarding students. Keeping to our long term plans we were still able to spend £14,000 on capital projects and £41,913 on refurbishment of the boarding house and prep school, throughout the course of the year.

In addition to the very substantial benefits our school brings to our pupils, the local community and society through the education we offer, our bursary programme creates a social asset without cost to the Exchequer.

Reserves Level and Policy, and Financial Viability

It has been the school's policy to utilise funds to ensure that high quality improvements to facilities are provided for the benefit of pupils. The aim is to budget so as to provide sufficient working capital to meet the present needs and future development requirements of the school without the requirement to have recourse to sales of tangible fixed assets. Unrestricted funds increased by £9,419 to total £112,154, as shown in note 23. St. James' School plans to fund longer term capital expenditure and meet long term liabilities through careful management of resources and investments and through building reserves.

The governors have a continuing programme of refurbishment, development and investment to maintain excellent teaching facilities for our pupils. In common with most independent schools, and due to the having to fund their own capital investment plans, free reserves are at a negative balance illustrating the extent of the investment in our school. The school's total reserves of £129,017 at the year-end, £16,863 of restricted funds and £112,154 unrestricted funds. Fixed assets held for charity use totalled £1,441,168 leaving free reserves of (£1,329,014) at the year-end. The school's financial viability does not depend on income reserves but in its ability to continue to trade at a surplus on an annual basis, and on the substantial portfolio of fixed assets held for operational use. The school does not have, and cannot rely on, permanent endowments.

The company's unrestricted reserves are primarily invested in tangible fixed assets which are all used for its direct charitable activities.

PRINCIPAL RISKS AND UNCERTAINTIES

The governing body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the directors, have been reviewed and systems or procedures have been established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the School Council and the process is overseen by the Finance and Resources (F & R) Committee on behalf of the governing body. A formal review of the risk management processes is undertaken annually.

The principal risks to which the School is exposed include those affecting protection of pupils and security and preservation of charitable assets both now and in the future. Significant risk areas:

- the market in which the school operates is highly competitive and we monitor developments in education to ensure that pupils always receive a first class, holistic and varied educational experience in our school;
- we strive to ensure that all staff are able to work in a safe and supportive environment and policies, procedures and training in Human Resource management and Health and Safety help to ensure that the school meets expectations;
- the school operates in a highly regulated sector, including in matters of child protection, and we appoint appropriate professional advisers to ensure that we can keep up to date with all requirements; school or individual membership of bodies being the constituent associations of the Independent Schools Council also ensure that we have access to up to date information and support;

ST. JAMES' SCHOOL, GRIMSBY LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2019

- the school operates in an increasingly litigious environment and we appoint appropriate professional advisers and purchase insurance using specialist brokers and advisers to ensure that we can keep up to date with all requirements and meet all challenges and;
- all organisations face difficult economic conditions and directors and senior managers in the school keep abreast of economic conditions locally, nationally and internationally to identify trends and develop plans to address issues.
- Amendments to the Teachers' Pension Scheme, and the impact of any future increases, are being closely monitored by the Board, who are reviewing the membership position of the School.
- Charitable status uncertainty due to planned general election of 12th December 2019, in light of comments made by the Labour party regarding the possible removal of this from independent schools.

The key controls used by the school include:

- formal agenda and minutes for all meetings of the governing body and committees
- terms of reference for all committees
- comprehensive strategic planning, financial forecasting, budgeting and management accounting
- established and identifiable organisational structures and reporting lines which are regularly reviewed
- comprehensive formal written policies
- clear authorisation limits
- vetting procedures, as required by law, for protection of the vulnerable

The school plans strategically having regard for risk. The F, P & C committee provides the governing body with regular reports which include details of the principal strategic objectives and the activity to achieve those objectives. The school also records significant achievements and updates the governing body and Woodard on short-term plans.

The strategy is discussed between the governing body and the Woodard Board and protocols have been developed and agreed which outline the relationship between the two bodies.

Financial risk management objectives and policies

The school uses financial instruments, other than derivatives, comprising loans, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from operations. The main purpose of these financial instruments is to raise finance for the school's operations.

The main issues arising from the school's financial instruments are liquidity risk and interest rate risk in the longer term. The school's directors adopt policies for managing each of the risks and these are summarised as follows:-

- Liquidity risk – the school seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from banks and other lenders
- Interest rate risk – the school finances operations through a mixture of retained surpluses and bank and other borrowings. The exposure to interest rate fluctuations is managed by the use of both fixed and floating facilities.

GOING CONCERN

The accounts have been prepared on a going concern basis. The St. James' School, Grimsby Limited Board reviews the financial information for the company and consider whether the company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

The board is aware of a need to manage cash flows carefully and to continue to promote the school.

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DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

The cash flow forecasts are monitored monthly by the F&R Committee. The Bursar reconciles the bank statement daily in order to monitor the performance of our banking facilities, and advises the Governing Body accordingly of any issues. By maintaining these checks the Governors are aware of the banking position at all times and are comfortable with the information disclosed.

The move in to the new boarding house in the 2018-19 academic year has borne results with increased numbers of boarding pupils. This is a vital revenue stream which underpins the overall performance of the School. This move has also created increased capacity within the existing buildings for additional teaching space, recreational space and overflow capacity for the boarding house for temporary stay pupils.

We maintain a very positive and open relationship with Handelsbanken, with regular meetings throughout the year to discuss our forward plans as well as the current year situation. This relationship has been built up over the last 10 years and has resulted in the bank making pro-active recommendations to the School in how best to manage our facilities.

The pupil numbers, both current and future and monitored monthly by both the Marketing Committee and also the F&R Committee. This close scrutiny allows the Governors to identify anomalies within the pupil numbers in particular year groups and make the necessary contingency plans for recruitment. We have built up an extensive base of agents to assist with overseas recruitment, with new ones being added this year in Thailand, Vietnam and Nigeria. Through our close working relationship with the DfIT local representatives we are able to speak to offices overseas to help identify emerging markets to target for recruitment.

The impact in the 2019-20 academic year, and beyond, of the TPS increase is being monitored, both internally, and at group level. Once the group have decided on their strategy moving forward, the Governors will discuss the options available which could be to maintain TPS, adopt a group scheme, or set up a plan with an external third party. The Governors have discussed this matter with the teaching staff and made the teaching staff aware of the possibility of consultation in the future.

The current uncertainty regarding Brexit is discussed and monitored, but does not alter the above controls or efforts to recruit pupils.

The outbreak of COVID-19 caused disruption to our usual methods used for the delivery of our teaching. We moved to online lessons in the Senior Department, delivering a reduced timetable focussing on the core academic subjects. For pupils in Yr. 11 we provided pre A level work to prepare them for an anticipated return to normal education in September 2020. For those pupils in Yrs. 3-6 we moved to two online lessons per day in Maths and English with supplementary work being provided in the other subjects. In the Pre-Prep, Reception to Yr. 2, the teachers were setting work and instructional videos using ClassDojo, as well as providing reading resources and other curriculum based activities for the pupils to complete.

The planned Summer Camps from Vietnam and Indonesia were immediately cancelled.

This pandemic forced the School to close to all but the children of essential key workers with effect from 20th March 2020. As a result it was also necessary to close our Boarding House once the overseas families had secured travel arrangements for their children. Due to the uncertain length of this enforced closure it was necessary for the School to access the Government's Job Retention Scheme and place a total of 43 staff on 80% furlough. This situation is being monitored and adapted in line with Government guidance.

Whilst we are continuing to receive enquiries from families for the 2020-21 academic year we are monitoring the guidance issued by Government in respect of flight restrictions and possible quarantine measures, and discussing the impact that this could have on our boarding pupil numbers and income levels. It would be possible to reduce some staffing and utility costs due to reduced numbers, however the lease cost would remain fixed.

As a result of the financial uncertainty created we will not be offering our advanced fees discount to parents for 2020-21. This scheme results in c. £300k of income being received in July each year. Due to the shortfall anticipated in the 2019-20 cash flow position Woodard have agreed to loan St. James' School £300k, split into two tranches of £150k to be received in May and June 2020. Whilst creating a short term issue, going forward St. James will be in a much stronger position with all fees being received in the correct academic year. This financial assistance will allow the School to operate within the overdraft limit determined by Handelsbanken, and the cash flow situation will continue to be monitored closely in the 2020-21 academic year.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

DIRECTORS' REPORT *(incorporating the Strategic Report)* YEAR ENDED 31ST AUGUST 2019

FUTURE PLANS

The Board's current five year strategic plan was approved on 17th September 2019, and is reviewed on an annual basis. The key objectives of the current plan are:

1. To establish and increase new overseas markets for the school, with a specific view to increasing the number of pupils within our senior department. Specific emphasis is being placed on the recruitment of Senior boarding pupils.
2. At all times, to align the staffing so that we are efficient in delivery of education and to ensure that we do not have classes which are not full. The soft launch of the Pre-Senior Baccalaureate is planned for September 2020, with full roll out taking place in September 2021.
3. To establish consistent and continuous policies on a range of matters (personnel, concessions, discipline, quality, educational standards, ethos etc.) between the senior and prep depts. Policies are developed by management and reviewed by the school council and relevant committees.
4. Increase the use of IT within the School following the principles adopted as a result of COVID-19.
5. To establish and embed into common usage reliable measures for educational 'added value' and ensure that we improve the overall performance for each of the next three years (prior to further review of new targets). The use of CEM testing is starting to provide worthwhile and reliable data in this area. We hope to further implement a system of peer review and internal inspections.
6. To widen access to the school still further with additional open mornings, scholarship days, attendance at regional events and means tested bursaries.
7. To continue to build links with local junior schools in both the state and independent sectors by arranging a series of open days for staff and pupils and providing support for their activities.
8. To continue to build and encourage community access for educational purposes to the school's facilities, in particular with Grimsby Borough Football Club.

DIRECTORS

The directors who served during the year and up to the date of the accounts being signed, and the committees of which they are members, are:

R.D.England	Finance, Marketing, H.R, Boarding
P.N. Lynch (Resigned 1 st November 2018)	Finance, Academic
A.M. Whitworth	Finance, Marketing, H.R
I.R. Sanderson	Academic
J.J.M. Shaw	Marketing
D.C. Palmer (Resigned 3 rd September 2019)	Academic, H.R, Boarding
Mrs. J.M. Bass (Resigned 4 th July 2019)	Academic, Finance, H.R, Boarding
Mrs. R.L. Haith	Academic, Finance, Marketing, Boarding, H.R
A.E. Baxter	Council, Marketing
J. Pridgeon	Council
J.M. Woolner	Academic, Finance, H.R
J. Lockwood	Finance, Boarding
T.Furneaux (Appointed 27 th February 2019)	Finance

None of the directors has any beneficial interest in the company. (Three Governors are parents of students attending the school).

ST. JAMES' SCHOOL, GRIMSBY LIMITED

DIRECTORS' REPORT (*incorporating the Strategic Report*) YEAR ENDED 31ST AUGUST 2019

AUDITORS

RSM UK AUDIT LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

DIRECTORS RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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.

The directors confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Qualifying third party indemnity provisions

- The charitable company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date with an indemnity limit of £2,000,000.00

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors of St. James' School on 16th June 2020 including, in their capacity as company directors, approving the Directors' and Strategic Reports contained therein, and signed on its behalf by:



R.D. England

CHAIRMAN

ST. JAMES' SCHOOL, GRIMSBY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JAMES' SCHOOL, GRIMSBY LIMITED YEAR ENDED 31ST AUGUST 2019

Opinion

We have audited the financial statements of St. James' School, Grimsby Limited (the 'charitable company') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, cash flow 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the school may be adversely affected by the ongoing impact of the Covid-19 (coronavirus) outbreak and in particular the potential impact of a significant reduction in income on the school's cash flow. As stated in note 1, these events or conditions, along with the other matters as set forth in note 1, indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Directors' Report has been prepared in accordance with applicable legal requirements.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. JAMES' SCHOOL, GRIMSBY LIMITED YEAR ENDED 31ST AUGUST 2019

Matters on which we are required to report by exception

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

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

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

Responsibilities of Directors

As explained more fully in the Statement of directors' responsibilities set out on pages 13 and 14, 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, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP.

VICTORIA CRAVEN (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Central Square
5th Floor
29 Wellington Street
Leeds
LS1 4DL

Date: 16/6/2020.

ST. JAMES SCHOOL, GRIMSBY LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) YEAR ENDED 31ST AUGUST 2019

	Notes	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Income and endowments from:					
Charitable Activities					
School fees receivable	2	1,945,683	-	1,945,683	1,807,849
Ancillary trading income	3	335,786	-	335,786	366,215
Other trading activities					
Non-ancillary trading income	4	37,987	-	37,987	42,350
Investments					
Investment income	5	397	-	397	390
Bank and other interest	5	10	-	10	2
Donations					
Grants and donations	6	218	4,456	4,674	110,832
TOTAL INCOMING RESOURCES		2,320,081	4,456	2,324,537	2,327,638
Expenditure on:					
Raising funds					
Non-ancillary trading		1,583	-	1,583	5,402
Financing costs	8	64,820	-	64,820	55,118
TOTAL		66,403	-	66,403	60,520
Charitable Activities					
Education and grant making	7	2,244,259	417	2,244,676	2,252,591
TOTAL EXPENDITURE		2,310,662	417	2,311,079	2,313,111
Net income and expenditure before transfers		9,419	4,039	13,458	14,527
NET INCOME		9,419	4,039	13,458	14,527
Pension scheme actuarial losses		-	-	-	-
Net Movement in funds for the year		9,419	4,039	13,458	14,527
Fund balances at 1st September 2018		102,735	12,824	115,559	101,032
FUND BALANCES AS AT 31ST AUGUST 2019		112,154	16,863	129,017	115,559

All amounts relate to continuing activities. All recognised gains and losses in the current and prior year are included in the statement of financial activities. The notes on pages 20 to 38 form part of these financial statements.

ST. JAMES SCHOOL, GRIMSBY LIMITED

BALANCE SHEET

YEAR ENDED 31ST AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	12	1,441,018	1,464,435
Securities Investments	13	150	150
		1,441,168	1,464,585
CURRENT ASSETS			
Stock		30,909	23,874
Debtors	14	672,330	529,087
Cash at bank and in hand		6,711	6,526
		709,950	559,487
CURRENT LIABILITIES			
Creditors payable within one year	15	(1,586,415)	(1,400,958)
NET CURRENT LIABILITIES		(876,465)	(841,471)
TOTAL ASSETS LESS CURRENT LIABILITIES		564,703	623,114
LONG TERM LIABILITIES			
Creditors payable after one year	16	(435,586)	(507,455)
Provisions for liabilities			
TOTAL NET ASSETS		129,117	115,659
REPRESENTED BY:			
CALLED UP SHARE CAPITAL	20	100	100
RESTRICTED FUNDS	22	16,863	12,824
UNRESTRICTED FUNDS			
General reserve	22	112,154	102,735
		129,117	115,659

The financial statements were approved and authorised for issue by the Board on 16th June 2020 and signed on its behalf by



R.D. England CHAIRMAN
Company registration number 4788370

The notes on pages 20 to 38 form part of these financial statement

ST. JAMES SCHOOL, GRIMSBY LIMITED

STATEMENT OF CASH FLOWS YEAR ENDED 31ST AUGUST 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by operating activities	27	13,188	306,650
Cash flows from investing activities:			
Dividends, interest and rents from investments	5	407	392
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment	12	(14,000)	(45,381)
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Net cash used in investing activities		(13,593)	(44,989)
Cash flows from financing activities:			
Repayments of borrowing		(71,869)	(51,730)
Cash inflows from new borrowing		-	200,000
Financing costs	8	(64,820)	(55,118)
Net cash provided (used in) / by financing activities		(136,689)	93,152
Change in cash and cash equivalents in the year		(137,094)	354,813
Cash and cash equivalents at the beginning of the year	28	(108,950)	(463,763)
Cash and cash equivalents at the end of the year	28	(246,044)	(108,950)

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year and in the preceding year are:

a) **Basis of Accounting**

The accounts have been prepared under the Companies Act 2006 and in accordance with the Statement of Recommended Practice for Charities ('SORP (FRS102)') and with applicable UK Accounting Standards. They are drawn up on the historical cost accounting basis.

St. James' School, Grimsby Limited meets the definition of a public benefit entity under Financial Reporting Standard (FRS) 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Further details are provided in the accounting policies for depreciation of fixed assets, for pensions and for bad debts. The financial statements are presented in Sterling (£), and the functional currency is also sterling (£).

b) **Going Concern**

The accounts have been prepared on a going concern basis. The St. James' School, Grimsby Limited Board reviews the financial information for the company and consider whether the company is a going concern for a period of at least 12 months from the date of approval of the accounts. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

The board is aware of a need to manage cash flows carefully and to continue to promote the school.

The cash flow forecasts are monitored monthly by the F&R Committee. The Bursar reconciles the bank statement daily in order to monitor the performance of our banking facilities, and advises the Governing Body accordingly of any issues. By maintaining these checks the Governors are aware of the banking position at all times and are comfortable with the information disclosed.

The move in to the new boarding house in the 2018-19 academic year has borne results with increased numbers of boarding pupils. This is a vital revenue stream which underpins the overall performance of the School. This move has also created increased capacity within the existing buildings for additional teaching space, recreational space and overflow capacity for the boarding house for temporary stay pupils.

We maintain a very positive and open relationship with Handelsbanken, with regular meetings throughout the year to discuss our forward plans as well as the current year situation. This relationship has been built up over the last 10 years and has resulted in the bank making pro-active recommendations to the School in how best to manage our facilities.

The pupil numbers, both current and future and monitored monthly by both the Marketing Committee and also the F&R Committee. This close scrutiny allows the Governors to identify anomalies within the pupil numbers in particular year groups and make the necessary contingency plans for recruitment. We have built up an extensive base of agents to assist with overseas recruitment, with new ones being added this year in Thailand, Vietnam and Nigeria. Through our close working relationship with the DfIT local representatives we are able to speak to offices overseas to help identify emerging markets to target for recruitment.

The impact in the 2019-20 academic year of the proposed TPS impact is being monitored, both internally, and at group level. Once the group have decided on their strategy moving forward, the Governors will discuss the options available which could be to maintain TPS, adopt a group scheme, or set up a plan with an external third party. The Governors have discussed this matter with the teaching staff and made the teaching staff aware of the possibility of consultation in the future.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

Brexit is discussed and monitored, but does not alter the above controls or efforts to recruit pupils.

The outbreak of COVID-19 caused disruption to our usual methods used for the delivery of our teaching. We moved to online lessons in the Senior Department, delivering a reduced timetable focussing on the core academic subjects. For pupils in Yr. 11 we provided pre A level work to prepare them for an anticipated return to normal education in September 2020. For those pupils in Yrs. 3-6 we moved to two online lessons per day in Maths and English with supplementary work being provided in the other subjects. In the Pre-Prep, Reception to Yr. 2, the teachers were setting work and instructional videos using ClassDojo, as well as providing reading resources and other curriculum based activities for the pupils to complete.

This pandemic forced the School to close to all but the children of essential key workers with effect from 20th March 2020. As a result it was also necessary to close our Boarding House once the overseas families had secured travel arrangements for their children. Due to the uncertain length of this enforced closure it was necessary for the School to access the Government's Job Retention Scheme and place a total of 43 staff on 80% furlough. This situation is being monitored and adapted in line with Government guidance.

Whilst we are continuing to receive enquiries from families for the 2020-21 academic year we are monitoring the guidance issued by Government in respect of flight restrictions and possible quarantine measures, and discussing the impact that this could have on our boarding pupil numbers and income levels. It would be possible to reduce some staffing and utility costs due to reduced numbers, however the lease cost would remain fixed.

As a result of the financial uncertainty created we will not be offering our advanced fees discount to parents for 2020-21. This scheme results in c. £300k of income being received in July each year. Due to the shortfall anticipated in the 2019-20 cash flow position Woodard have agreed to loan St. James' School £300k, split into two tranches of £150k to be received in May and June 2020. Whilst creating a short term issue, going forward St. James will be in a much stronger position with all fees being received in the correct academic year. This financial assistance will allow the School to operate within the overdraft limit determined by Handelsbanken, and the cash flow situation will continue to be monitored closely in the 2020-21 academic year.

However, the coronavirus pandemic could have a short to medium term impact on the school's financial performance which is not easy to forecast. The impact could be from a significant fall in demand for places, from bad debts or from late school fees payments. These would restrict the school's ability to generate operating cash flow.

While the directors are taking steps to manage cash flow, reduce costs and to plan appropriate mitigative actions to take during this period of instability across the global economy, sensitivity analysis of the trading and cash flow forecasts prepared for the period to 31 August 2021 indicate some possible scenarios relating to ongoing reduced income where the school may not be able to meet its liabilities as they fall due. The directors believe that it remains appropriate to prepare the financial statements on a going concern basis, however the coronavirus outbreak and the risks it may pose to the school give rise to a level of material uncertainty relating to going concern.

c) **School Fees Receivable and Similar Income**

Fees receivable and other educational income are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions by the school, but include contributions received from restricted funds for scholarships, bursaries and other grants. Fees in Advance Scheme Contracts are those fees received in advance of education to be provided in future years under a specific contract. The fees are held as investments in interest bearing assets until either taken to income to match liabilities in the term when used, or else refunded. Any surplus of assets over liabilities is held within the fund as a buffer. Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

d) **Ancillary and Non-Ancillary Trading Income**

Ancillary trading income represents amounts from activities to generate funds within the charitable objects for example, school shop sales, coaches to and from school and school trips. Non-ancillary trading income represents amounts from activities not directly related to the charitable objects, for example lettings of school facilities out of term time and rental from spare school buildings. Income from these activities is recognised in the SOFA when the goods are sold or services provided

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

e) **Voluntary sources, Grants and Donations**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can reliably be quantified and the economic benefit is considered probable.

Voluntary income for general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the school in case of donated services or facilities.

f) **Expenditure**

Expenditure is accrued as soon as there is a contractual obligation or a liability is considered probable, discounted to present value for longer term liabilities. Expenditure is allocated to expense headings either on a direct cost basis or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates. Bad debts are provided for in accordance with the group bad debt policy.

The cost of refurbishing and converting existing buildings is written-off in the year in which it is incurred except where the useful life has been extended.

g) **Finance and Other Costs**

Other costs include amounts accrued in accordance with the terms of Fees in Advance Scheme Contracts.

h) **Pension Costs**

The school company participates in the Teachers' Pensions scheme, which is an unfunded government scheme which provide benefits based on final pensionable pay. The funds of the schemes are separate from the company, although the company's share of the schemes cannot be identified as the schemes are multi-employer schemes, and so the pension costs are accounted for as defined contribution schemes. The company also contribute to other defined contribution pension schemes for non-teaching staff.

i) **Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less depreciation. Individual capital items, or projects, with a value greater than £10,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset based on current market prices, over its expected useful life, as follows:

Freehold land is not depreciated

Freehold Buildings:

- Variable according to the building and written off over the expected useful life (see note below)

Freehold improvements

- Over the useful economic life of the improvement

Leasehold land

- Over the shorter of the economic life of the asset or the life of the lease

Leasehold enhancement

- Over the economic life of the asset

Computer equipment

- 25% on cost

Plant and Equipment

- 10% on cost

Fixtures and fittings

- 25% on cost

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

The company has reviewed its tangible assets, which comprise land, buildings and initial fixtures and fittings. The company undertakes an annual review of all buildings assessing their useful economic life. In some cases the useful economic life of a building is anticipated to be of considerable length, often in excess of 100 years. The buildings are capitalised in the financial statements at historic cost. Where the calculated depreciation charge is a material figure, it is charged in these accounts but, where the carrying value is not more than the estimated recoverable amount and the depreciation on the building is not material to these financial statements, it has been assessed, but not charged. The directors will continue to carry out annual assessments of the recoverable amount and the estimated useful life of all buildings and where the depreciation is a material value, it will be charged. The review is based on the directors' assessments of the market value and the future economic benefit derived from an asset versus its carrying value in the financial statements.

When the company undertakes a significant refurbishment project that will have an economic benefit, the cost of the refurbishment is capitalised, recorded separately under 'Freehold Improvements', its useful life is estimated and it is depreciated over that useful life.

St. James' School, Grimsby Limited exercises judgement in selection of appropriate rates for depreciation of fixed assets, and for matters of impairment.

j) **Financial Instruments**

St. James' School, Grimsby Limited only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

k) **Securities and Fees in Advance Investments**

Securities and Fees in Advance investments are carried at fair value, which is deemed to be market value as at the balance sheet date.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate fund according to the 'ownership' of the underlying assets. Realised gains and losses are the difference between sales proceeds and opening market value where the investment was held at the beginning of the year, or sales proceeds less cost of purchase where the investment was acquired in the year. The revaluation reserve reflects the accumulated total of unrealised gains. Uninvested cash is the balance of liquid cash, held as an investment, which has not been invested in securities.

l) **Stocks**

Stocks comprise raw materials, consumable stores and goods held for resale: they are valued at the lower of cost and net realisable value.

m) **Leasing Commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives or the period of the lease whichever is the shorter. The interest element of the obligations is charged to the SOFA over the period of the lease. Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term. Lease incentives are accounted for over the lease term on a straight-line basis.

n) **Fund Accounts**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

o) **Taxation**

St. James' School, Grimsby Limited is a registered charity and as such is exempt from income tax and corporation tax under the provisions of Section 478 of the Corporation Tax Act 2010. There is no

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

similar exemption for VAT, which is included in expenditure or in the cost of assets as appropriate.

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE

	2019 £	2018 £
The school fees income comprises		
Gross fees	2,240,154	2,088,285
Less: Total scholarships, bursaries, etc.	(294,471)	(280,436)
	1,945,683	1,807,849

Scholarships, bursaries and other awards were paid to 99 pupils (2018: 96 pupils). Within this, means-tested bursaries totalling £18,287 were paid to 13 pupils (2018: £24,115 to 12 pupils).

3. CHARITABLE ACTIVITIES – ANCILLARY TRADING INCOME

	2019 £	2018 £
Extra Subjects	140,442	174,881
Entrance fees and registration fees	3,869	4,695
Fees in lieu of notice	22,770	17,305
School meals	91,652	98,619
Pupil Transport	11,864	16,726
New Clothing Sales	17,674	17,495
Second Hand Clothing Sales	50	-
Other Income	47,465	36,494
	335,786	366,215

4. OTHER TRADING ACTIVITIES

	2019 £	2018 £
Non-ancillary trading income		
Lettings Income	25,450	31,609
Interest receivable – pupil bills	12,537	10,741
	37,987	42,350

5. INVESTMENTS - BANK AND OTHER INTEREST RECEIVABLE

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

	Unrestricted	Total 2019	Total 2018
	£	£	£
Bank interest	10	10	2
Investment income	397	397	390
	<hr/>	<hr/>	<hr/>
	407	407	392
	<hr/>	<hr/>	<hr/>

6. VOLUNTARY SOURCES - GRANTS AND DONATIONS

	Unrestricted	Restricted	Total 2019	Total 2018
	£	£	£	£
General Donations	218	-	218	1,417
Sports Donation	-	-	-	850
Towers Refurbishment	-	-	-	80,000
Gift Aid	-	-	-	20,023
Music Fund	-	-	-	3,150
Masters Room Appeal	-	4,456	4,456	392
Chaplaincy	-	-	-	5,000
	<hr/>	<hr/>	<hr/>	<hr/>
	218	4,456	4,674	110,832
	<hr/>	<hr/>	<hr/>	<hr/>

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

7. ANALYSIS OF EXPENDITURE

a) Total expenditure

	Staff costs (note 9) £	Depreciation (note 12) £	Support Costs £	Total 2019 £	Total 2018 £
Costs of raising funds					
Non ancillary trading	-	-	1,583	1,583	5,402
Other income generating activities					
Financing cost (note 8)	-	-	64,820	64,820	55,118
Total cost of generating funds	-	-	66,403	66,403	60,520
Charitable expenditure					
Education and grant making					
Teaching	1,197,894	12,007	143,214	1,353,115	1,320,277
Welfare	200,509	-	85,166	285,675	190,071
Premises	43,588	25,410	288,461	357,459	419,408
School administration	142,115	-	83,555	225,670	316,612
Governance	-	-	22,757	22,757	6,223
Total charitable expenditure	1,584,106	37,417	623,153	2,244,676	2,252,591
Total Expended	1,584,106	37,417	689,556	2,311,079	2,313,111

b) Total resources expended include:

St. James' School reimburses governors for out of pocket expenses including travel subsistence and accommodation, where claims by 1 governor were reimbursed during the year (2018:2).

	2019 £	2018 £
Remuneration paid to auditor for audit services	10,203	6,091
Remuneration paid to auditor for non-audit services	-	-
Reimbursement of personal expenses to governors	96	132
Depreciation of tangible fixed assets:		
- Owned by the Charitable Company	37,417	38,930
Operating Lease rentals:		
- land and buildings	40,348	18,900
- other assets	17,068	15,226
	105,132	79,279

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

8. FINANCING COSTS

	2019 £	2018 £
Bank Interest Payable	20,952	21,697
Other Interest Payable	5,249	4,978
Bank charges	6,179	6,928
Provision for bad and doubtful debts	32,440	21,515
	<hr/>	<hr/>
	64,820	55,118
	<hr/>	<hr/>

9. STAFF COSTS

	2019 £	2018 £
The aggregate payroll costs for the year were:		
Wages and salaries	1,347,466	1,342,028
Social security costs	108,206	111,445
Other pension costs	126,894	127,857
Private Medical insurance	1,540	1,450
	<hr/>	<hr/>
	1,584,106	1,582,780
	<hr/>	<hr/>

The Head and Bursar are classed by the school as being Key Management Personnel with a combined remuneration of £112,000 (2018: £106,625). Included in the figures was the new Head that was appointed on the 1st August 2019.

None of the governors received remuneration or other benefits from St. James' School or from any connected body.

Aggregate employee benefits of key management personnel	1,540	1,450
	<hr/>	<hr/>

The number of higher paid employees whose annual emoluments were £60,000 or more was:

	2019 No	2018 No
£70,001 - £80,000	1	1

Of which the contributions amounted to

- in Defined Benefit schemes was	£13,102	£12,113
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ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

9. STAFF COSTS (Continued)

The average number of employees during the year calculated on a head count basis was 80 (2018: 76)

	2019 No	2018 No
Teaching	46	44
Welfare	13	12
Premises	12	11
Support	9	9
	<hr/>	<hr/>
	80	76
	<hr/>	<hr/>

10. DIRECTORS

None of the directors (or any persons connected with them) received any remuneration during the year, with the exception of one director whose spouse was employed by the school and they received remuneration of £6,679 (2018: £6,050) during the year. Three directors (2018: 3) have children attending the school. The first director paid fees in the total of £11,385 (2018: £11,385) during the year, no bursaries (2018: NIL) had been awarded this year to them. The second director paid fees of £6,210 (2018: £6,210) during the year which included a means tested bursary totalling £5,175 (2018: £5,175). The third director paid fees of £5,693 (2018: £5,693) during the year which included a choral scholarship of £5,693 (2018: £5,693). Also travel expenses of £96 (2018: £132) were reimbursed to 1 director (2018:2).

11. TAXATION

The company is a registered charity and therefore no liability to taxation arises on its charitable activities.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

12. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Plant & Equipment £	Computer Equipment £	Total £
Cost				
At 1 st September 2018	1,317,783	215,464	80,602	1,613,849
Additions	-	14,000	-	14,000
Disposal	-	-	-	-
At 31st August 2019	1,317,783	229,464	80,602	1,627,849
Depreciation				
At 1 st September 2018	18,870	85,620	44,924	149,414
Charge for the year	6,424	18,986	12,007	37,417
Disposal	-	-	-	-
At 31st August 2019	25,294	104,606	56,931	186,831
Net book value at 31st August 2019	1,292,489	124,858	23,671	1,441,018
Net book value at 31 st August 2018	1,298,913	129,844	35,678	1,464,435

All assets are used for charitable purposes.

13. SECURITIES INVESTMENTS

	2019 £	2018 £
Investments comprise:		
Listed investments		
Fixed interest	150	150
Company investments	150	150

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

14. DEBTORS

	2019 £	2018 £
School fees receivable	642,229	499,044
Other debtors	861	2,944
Prepayments and accrued income	29,240	27,099
	672,330	529,087

15. CREDITORS: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	326,223	188,944
Deposits from parents	39,313	41,173
Fees received from parents in advance of term	466,047	474,897
Trade creditors	107,638	174,023
Taxation and social security	26,863	28,028
Accruals	74,478	42,563
Other creditors	57,817	53,713
Deferred Income	388,036	297,617
Other Loans	100,000	100,000
	1,586,415	1,400,958

St. James' School, Grimsby Limited has a bank loans from Handelsbanken. Both loans are secured by a charge over the freehold property of the school at a rate of interest of 2% and 2.25% over LIBOR. The first loan is repayable by 12th June 2029 and the second loan is repayable by 20th December 2022.

Deferred income arises due to the inclusion of School fees receivable for Michaelmas 2019 that was invoiced prior to 31st August 2019.

16. CREDITORS: amounts falling due after one year

	2019 £	2018 £
Bank loans and overdrafts	435,586	507,455
	435,586	507,455

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

17. BANK LOAN

	2019 £	2018 £
The bank loan is repayable in instalments:		
Due after 5 years	201,719	233,587
Due within 2 to 5 years	160,400	200,400
Due within 1 to 2 years	73,467	73,468
Due after more than one year	435,586	507,455
Due within 1 year	73,468	73,468
	509,054	580,923

The carrying amount of the loans payable as at 31 August 2019 is £509,054 (2018: £580,923).

18. COMMITMENTS UNDER OPERATING LEASES

The future minimum commitments under non-cancellable operating leases are:

	Land and buildings 2019 £	2018 £	Other 2019 £	2018 £
Expiry date:				
Within 1 year	42,500	42,900	15,248	16,097
Between 2 and 5 years	79,792	60,000	35,846	50,638
After 5 years	55,000	-	-	456
	177,292	102,900	51,094	67,191

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

19. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS:		
Debt instruments at amortised cost		
Trade debtors	642,229	499,044
Other debtors	861	2,944
	643,090	501,988
	£	£
FINANCIAL LIABILITIES:		
Financial liabilities at amortised cost		
Trade creditors	107,638	174,023
Other creditors	57,817	53,713
Bank overdrafts	252,755	115,476
Borrowings - bank and other loans	609,054	680,923
Accruals	74,478	42,563
Deposit from Parents	39,313	41,173
	1,141,055	1,107,871

20. SHARE CAPITAL

	2019 £	2018 £
Authorised		
100 Ordinary Shares of £1 each	100	100
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100

21. FUNDS

St. James' School, Grimsby Limited funds are analysed under the following headings:

a) RESTRICTED FUNDS

St. James' Music Fund

This represents funds received for the purpose of the musical activities of the school.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

21. FUNDS (Continued)

LF Funding Grant

This represents a grant received for the purpose of the early years activities of the School.

Sports Fund

These are various grants and donations towards the cost of new sports equipment and events.

Chaplaincy

This is a contribution towards the cost of a chaplain.

Masters Room Appeal

This is monies raised towards the refurbishment of the Masters room.

b) UNRESTRICTED FUNDS

Unrestricted funds represent accumulated income from the school's activities and other sources that are available for the general purposes of the school.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Total 2019 £	Total 2018 £
Tangible fixed assets	1,441,018	-	1,441,018	1,464,435
Securities investments	-	150	150	150
Net current asset / (liabilities)	(893,278)	16,713	(876,565)	(841,571)
Long term liabilities	(435,586)	-	(435,586)	(507,455)
	<u>112,254</u>	<u>16,863</u>	<u>129,117</u>	<u>115,559</u>

Prior year comparative figures:

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Tangible fixed assets	1,464,435	-	1,464,435	1,457,984
Securities investments	-	150	150	150
Net current (liabilities)/assets	(854,245)	12,674	(841,571)	(857,816)
Long term liabilities	(507,455)	-	(507,455)	(499,186)
	<u>102,735</u>	<u>12,824</u>	<u>115,559</u>	<u>101,132</u>

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

23. SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	At 1 Sept 2018 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2019 £
Restricted Funds					
St. James' Music Fund	6,622	-	-	-	6,622
LF Funding Grant	20	-	-	-	20
Sports Fund	790	-	-	-	790
Chaplaincy	5,000	-	(417)	-	4,583
Masters Room Appeal	392	4,456	-	-	4,848
	12,824	4,456	(417)	-	16,863
Unrestricted Funds					
General Reserve	102,735	2,320,081	(2,310,662)	- 1 1	112,154
	102,735	2,320,081	(2,310,662)	-	112,154
Total Funds	115,559	2,324,537	(2,311,079)	-	129,017

Prior year comparative figures:

	At 1 Sept 2017 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2018 £
Restricted Funds					
St. James' Music Fund	3,472	3,150	-	-	6,622
LF Funding Grant	20	-	-	-	20
Sports Fund	-	850	(60)	-	790
Chaplaincy	-	5,000	-	-	5,000
Masters Room Appeal	-	392	-	-	392
	3,492	9,392	(60)	-	12,824
Unrestricted Funds					
General Reserve	86,708	2,317,854	(2,301,827)	- 1 1	102,735
Bursary Fund	10,832	(392)	(11,224)	- -	-
	97,540	2,318,246	(2,313,051)	-	102,735
Total Funds	101,032	2,327,638	(2,313,111)	-	115,559

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

24. CAPITAL COMMITMENTS

At 31 August 2019, the group had capital commitments as follows:

	2019 £	2018 £
Expenditure contracted for but not provided in the accounts	-	-

25. PENSION SCHEMES

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £119,958 (2018: - £122,188) and at the year-end £16,853 (2018 - £16,306) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

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

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

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

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

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

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

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

26. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE FOR THE YEAR ENDED 31ST AUGUST 2018

	Notes	Unrestricted Funds £	Restricted Funds £	2018 £	2017 £
Income and endowments from:					
Charitable Activities					
School fees receivable	2	1,807,849	-	1,807,849	1,662,659
Ancillary trading income	3	366,215	-	366,215	361,730
Other trading activities					
Non-ancillary trading income	4	42,350	-	42,350	19,212
Other activities					
Investments					
Investment income	5	390	-	390	382
Bank and other interest	5	2	-	2	1
Donations					
Grants and donations	6	101,440	9,392	110,832	9,322
TOTAL INCOMING RESOURCES		2,318,246	9,392	2,327,638	2,053,306
Expenditure on:					
Raising funds					
Non-ancillary trading		5,402	-	5,402	-
Financing costs	8	55,118	-	55,118	15,230
TOTAL		60,520	-	60,520	15,230
Charitable Activities					
Education and grant making	7	2,252,531	60	2,252,591	2,026,158
TOTAL EXPENDITURE		2,313,051	60	2,313,111	2,041,388
Net income and expenditure before transfers		5,195	9,332	14,527	11,918
NET INCOME		5,195	9,332	14,527	11,918
Pension scheme actuarial losses		-	-	-	-
Net Movement in funds for the year		5,195	9,332	14,527	11,918
Fund balances at 1st September 2017		97,540	3,492	101,032	89,114
FUND BALANCES AS AT 31ST AUGUST 2018		102,735	12,824	115,559	101,032

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

27. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income for the year (as per the statement of financial activities)	13,458	14,527
Adjustments for:		
Depreciation charges	37,417	38,930
Dividends, interest and rents from investments	(407)	(392)
Financing costs	64,820	55,118
(Increase)/decrease in stocks	(7,035)	5,385
(Increase)/decrease in debtors	(143,243)	134,225
Increase/(decrease) in creditors	48,178	58,857
Net cash provided by operating activities	13,188	306,650

28. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	6,711	6,526
Overdraft facility repayable on demand	(252,755)	(115,476)
Total cash and cash equivalents	(246,044)	(108,950)

29. ULTIMATE CONTROLLING PARTY

The Woodard Corporation Limited is the ultimate controlling party, a registered charity number 1096270, which is incorporated in England and Wales. Copies of the financial statements of the Woodard Corporation can be obtained from High Street, Abbots Bromley, Rugeley, Staffordshire, WS15 3BW. The accounts of St James' School Grimsby Limited are included within the consolidated financial statements of the Woodard Corporation Limited.

30. RELATED PARTIES

The Company is wholly owned subsidiary of The Woodard Corporation, a registered charity number 1096270, which is incorporated in England and Wales. An amount of £12,690 (2018: £13,413) was paid during the year to the Corporation by way of a levy to meet Corporation running costs. Also £3,750 (2018: £4,053) for the carbon reduction Liability. The Corporation also provided a loan of £100,000 in 2013, upon which interest of £5,249 (2018: £4,978) is payable for the year ended 31st August 2019. Interest was charged during the year at a rate of 5.25%. The amount owing to the Woodard corporation at 31st August 2019, excluding the loan is £28,656 (2018: £27,460).

Details of transactions with Directors can be found in note 10.

There are no further related party transactions.

ST. JAMES' SCHOOL, GRIMSBY LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST AUGUST 2019

31. CONTINGENT LIABILITIES

There are no contingent liabilities during the year.

32. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the directors are required to make estimates and judgements. The matters detailed below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cash flows. Accounting policies are shown at note 1 to the financial statements.

Provision for bad debts

Debts are provided for if not recovered within one term. Estimating amounts to provide against recovery of debts is a matter of judgement.

Depreciation, impairment and residual values of fixed assets

Judgement is exercised in estimating the residual values of fixed assets, the selection of appropriate rates for depreciation, and for matters of impairment.