

Registered number: 03513962
Charity number: 1068532

BANCROFT'S SCHOOL

GOVERNORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

GOVERNORS' REPORT

The Directors of the Company, who are also the Charity Trustees and the Governors of the School, who served during the year and up to the date of this report, were:

Nominees of the Drapers' Company	Sub committee member
Professor P Kopelman MD, FRCP, FFPH FACadMed	all sub committees (Chair)
J M Rose BA (Hons), FCSI	Finance
R Bhumbra PhD, FRCS	Foundation and Education
R Williamson BA (Hons), MA (Oxon)	Education
E Wingham	Education and Education
R van Maanen	Estates (elected 18/3/19)

Appointed by London Borough of Redbridge

M Stark BA, LLB (Hons), Ac Dip Ed	Education and Estates
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Appointed by Essex County Council

R Gooding IEng ACIBSE	Estates and Finance
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Co-opted Directors

S Siddiqui BA (Hons) TEP Solicitor	Education (resigned after year end 25/11/19)
E Sautter MA	Finance (Deputy Chair)
B S Conroy MA, MBA	Estates, Finance and Foundation

Each Director Nominative or Co-opted, holds office for a term of three years. Nominative Directors are appointed at a meeting convened and held according to the ordinary practice of the appointing body. Co-opted Directors are appointed by ordinary resolution passed in general meeting.

During the financial year it was decided to integrate the Preparatory sub committee into the Education sub committee.

OFFICERS

The Visitor:	The Master of the Drapers' Company (ex officio)
The Head:	Simon Marshall MA, MPhil

Company Secretary, Bursar and Clerk to the Governors:	L.F.G. Green
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Registered Office and Principal address:	Bancroft's School High Road Woodford Green Essex IG8 0RF
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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

ADVISERS

Bankers:	Allied Irish Bank 26 Finsbury Square London EC2A 1DS	Barclays Bank 1-2 Trinity Way Chingford London E4 8TD
Auditors:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Solicitors:	Veale Wasborough Orchard Court Bristol BS1 5WS	
Investment Advisers:	Rathbones 8 Finsbury Circus London EC2M 7AZ	
Insurance Brokers:	Marsh Rockwood House Haywards Heath West Sussex RH16 3DU	

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Governors present their annual report for the year ended 31st August 2019 under the Companies Act 2006 and confirm that they comply with the requirement of the Act and the Charities SORP 2015.

Governing Document

Bancroft's School is a charitable company registered on 19 February 1998, charity number 1068532, company number 3513962. The liability of the members is limited by guarantee. Francis Bancroft left all his personal estate to the Worshipful Company of Drapers to build Almshouses and a School. Bancroft's School was established pursuant to a licence granted under letters patent from George II on 5 July 1731, and founded in 1737 at Mile End, 1885 moved to Tottenham for two years before moving to the new school in Woodford in 1887. The trust has been amended in subsequent years. The latest amendments were in 1976, when the School reverted to full independent status and in 1998, when the School became a charitable company limited by guarantee.

Governing Body

The structure of the board is detailed on page 3, together with information on how the Directors are appointed.

Recruitment and Training of Directors

Nominative Directors are appointed at a meeting convened and held according to the ordinary practice of the appointing body. Co-optative Directors are appointed by the Board, after due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Directors attend external courses, as well as specific courses arranged by the School. Directors are encouraged to attend at least one of the AGBIS seminars once a year where they would have the opportunity of participating in discussions and exchanging views with Directors from other schools.

New Directors are offered a comprehensive induction program to enable them to familiarise themselves with the School and how it operates. This includes a tour of the School and meetings with various key personnel. The new Directors are also provided with a set of documents with relevant information for ease of reference.

Organisational Management

The Directors are legally responsible for the overall management and control of the School and meet four times a year. The Finance Committee generally meet two weeks before each meeting of the full Board to consider in detail finance and other matters delegated to them. The Estates Committee has been meeting as required to monitor the progress of maintenance, refurbishment and building projects and consider the reports of the specialist advisers. The Education Committee has oversight of the curriculum and related matters and has absorbed the Preparatory Committee which had oversight of the work of the Prep School. The Foundation Committee has oversight of matters relating to Bancroft's Foundation. All sub committees report to the main board.

The day to day management of the School is delegated to the Head and the Bursar, supported by the Senior Leadership Team, who together with the Governors are considered the Key Management Personnel. The Remuneration Committee determine the Head's salary, who in turn determines the salary of the Senior Leadership Team. The Governors are unremunerated.

Structure and Relationships

Bancroft's actively supports the attainment of the highest standards in the Independent Schools sector, through membership of the Headmasters' Conference, IAPS and networking with other schools for the evaluation of quality and performance improvement methods. We co-operate with local organisations and charities in our continuing efforts to allow public access to the education we can provide and to allow the use of our cultural and sporting facilities. In order to broaden the social awareness of pupils, links have been formed with local Secondary, Primary and Nursery schools, schools for the disabled and nursing homes. The School has local authority representation on its Board of Directors, through Directors appointed by Essex County Council (1) and London Borough of Redbridge (1).

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The School owns the entire issued share capital of Bancroft's Enterprises Ltd, the company through which external organisations can hire the School's facilities (predominantly the Sports Hall and Swimming Pool).

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The Objects as set out in the Memorandum of Association are to advance the education of children and young people by the provision, in or near Woodford in Essex, of a preparatory and secondary school for boys and girls.

Aims and Intended Impact

The School aims to be a successful centre of excellence, consistently providing the highest academic standards and an educational experience enriched by a vibrant cultural environment which prepares pupils successfully to take their place in the next phase of their lives.

Pupils should emerge with confidence, self-motivation, mutual respect and a strong sense of social responsibility to become highly successful adults who make a difference to the 21st century world and the communities in which they live.

The continuing aim of the Directors is to have cognisance of the Charity Commission guidelines and improve the level of Public Benefit by ensuring that we focus on our charitable objectives.

Objectives for the Academic Year 2018/19

The focus this year has been to maintain the continuing high level of academic performance, providing access to the education and facilities provided by the School, combined with increasing the social awareness of pupils and their involvement in co- curricular activities and public service.

Strategies to achieve the year's objectives

These included the continuous review of the academic syllabus to measure academic standards against external public examination and value added criteria, with added emphasis on sporting, adventurous training and social skills to develop the total learning experience of the pupils; continuing to encourage excellence by involvement in the Engineering Education Scheme, maths and science competitions to develop increased understanding and excellence in these subjects; increasing the emphasis on Arts through extending the curriculum; maintaining the expertise of staff by continuing staff development; increasing links with local primary and junior schools in the state maintained sector; increasing the established links with Queen Mary College, University of London and local Senior Schools to act as a centre of excellence within the community, as well as building on the recently created partnerships with the Drapers' Academy and the 'Success in Schools' project.

Principal activities of the year

The School's principal activity remains the operation of a co-educational day Preparatory School for pupils aged 7 – 11, and Senior School for pupils aged 11 - 18, educating them to a high standard and enabling them to participate in co-curricular activities, thus encouraging all pupils to fulfil their potential and form the base for life-long learning.

Grant making policy

A grant of £50,000 (2018: £50,000) towards scholarships is received from the Drapers' Company Charitable Trust. In addition the School is the sole beneficiary of the income, £174,527 (2018: £110,886) arising from the Francis Bancroft Trust, administered by the Drapers' Company subject to the agreement of the Charity Commission. The Bancroft's Foundation supported 14 scholars during the year. In addition the Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. These awards widen the access to the School. The School also awards bursaries, which are available to meet short term financial problems of parents, thus enabling pupils' education to continue. Additional sixth form scholarships are awarded to both internal and external candidates. Total grants from restricted funds were £202,889 (2018: £189,472) and from Free Reserves £1,525,918 (2018: £1,530,576).

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Volunteers

The Parents' Association is very active, organising fund raising and cultural events and raised in excess of £11,000. The Old Bancroftian Association ("OBA") provides Sixth Form Scholarships and administers the Educational Development Fund, which makes grants to leavers for qualifying purposes. It also has helped develop an extensive work experience network to provide placements for final year pupils. Additionally the OBA organises and carries out a program of interview training for the Upper Sixth Form. It has not been possible to quantify the considerable number of voluntary hours these organisations commit to the School. The Board takes this opportunity to say how much they appreciate their continuing and valuable support.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Academic

The School had another year of excellent results, as measured by performance in public examinations. At A2 34% of grades were awarded at A*, with 86.3% A*-B. 11 students moved on to Oxbridge. At GCSE 66% of grades awarded were either 8 or 9 (A* equivalent).

For the first time Bancroft's were crowned UKMT National Junior Maths Team Challenge winners.

Thanks to the support of the Drapers' Company, the Francis Bancroft bequest, the Foundation, the OBA Sixth Form Scholarship Fund, the Felisiak Foundation, and BADFAS, the School is able to provide some financial support for 19% of its pupils.

Outside the classroom

Bancroft's pupils were able to take part in a wide range of trips and visits. More than 90 separate trips included cultural visits to France, Germany, Italy, Montenegro, Russia and Spain.

This has been another successful year for sport, we have continued to run four teams in several year groups competing against other schools, allowing many children to be involved. Across the year groups there have been a number of excellent Boys and Girls results at County level seeing progression to Regional finals in Hockey, Netball. Individually the School is proud to have the British Junior U13 Boys Squash Champion

Drama continues to thrive with the Senior production of Chicago, whilst the Prep School performed The Jungle Book and held their first ever House Drama Competition

The Music department has been busy with their London Chamber Orchestra project, the senior musical Chicago and a number of concerts throughout the year including a Christmas fundraising event for local charities.

PUBLIC BENEFIT

The School has always been rooted in the local community and provides support in a number of ways. The Governing Body continues to have due regard with respect to the Charity Act 2011 and to have due regard to the Charity Commission's general guidance on public benefit "Charities and Public Benefit" through the following activities.

Academic

Supporting curricular development and providing teacher CPD in local state schools, particularly in Maths, Latin and Economics. Providing access for state pupils to attend a range of academic lectures. Organising and hosting UKMT event for Redbridge; Primary Science fair; Roman Legio day. Hosting Oxbridge information events and providing interview practice for local schools. Shine programme for Primary schools in Walthamstow. National website resource for Chemistry.

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Outside the classroom

Organise regional Schools' Challenge Competition. Hosting the London Chamber Orchestra Music Junction North East Hub +Come and Play events for musicians. A new innovation for 2018 was our hosting the inaugural Bancroft's Universities Fair featuring 20 universities where Bancroft's pupils were joined by Year 12 students from Trinity, Woodbridge and Draper's Academy. Host Netball and Cricket festivals for Primary schools. Provide use of Swimming Pool for local primary schools. Share sporting facilities with Woodbridge School. Staff coach the Redbridge LYG Hockey squad. Local schools invited to plays and cultural events.

Community Service

Pupils coach swimming for Little Heath pupils and help run the Epping Forest PHAB club. The School provides accommodation and facilities for NADFAS and local Neighbourhood Watch meetings. Hosts Cub and Scout events for the District. Pupils carry out range of Community placements helping the disabled, elderly, primary schools and local charities. Staff serving as state school governors.

Local primary schools have access to the swimming pool at a nominal fee. In addition the pupils have raised £52,143 (2018: £65,204) which has been distributed to local and national charities.

Fund Raising Performance

The Bancroft's Foundation was established to raise funds to provide for means tested fee assistance thus enabling bright children, whose parents would not normally be able to afford the fees, to benefit from Bancroft's "Tradition of Excellence". Donations Received £385,861 (2018: £163,848), Donations Made + Administration Costs £193,838 (2018: £107,318).

In 2019 the School undertook fundraising activity to its supporters via direct mail, telephone, fundraising events and email in line with the Fundraising Code of Practice set by the Fundraising Regulator. The School did not work with any fundraising partners in 2019. The School is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. We did not receive any complaints about fundraising in 2019.

Risk Management

The Board of Directors is responsible for the management of risks possibly facing the School. A formal review of the risk management processes is regularly undertaken. The major risks identified by this process such as Fire, Health & Safety, Child Protection, Public Benefit, Management Succession and Data Protection have been mitigated to an acceptable level by internal control systems, insurance cover and other measures as appropriate.

The key controls used are:

- Formal agendas for all Committee and Board activity;
- Comprehensive strategic planning, budgets and management accounts;
- A strategic Cash Reserve Fund has been established from September 2015
- Established organisation and reporting procedures
- Formal written policies;
- Clear authorisation and approval levels;
- Health & Safety Committee;
- Regular Fire and Health & Safety audits;
- Vetting procedures as required by legislation for the protection of the vulnerable;
- Maintenance and monitoring risk register;
- Regular review of Policies.

The Directors, whilst recognising that systems can only provide reasonable but not absolute assurance, are satisfied, that the major risks have been identified and mitigated where necessary.

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School's net movement in unrestricted funds of £963,938 before transfers (2018: £1,332,846) and a £198,393 (2018: £61,941) in restricted funds were in line with expectations.

Reserves

The level of reserves shown at 31 August 2019 was £19,192,244 (2018: £18,029,913), of which £1,948,870 (2018: £1,750,477) related to restricted funds and £17,243,374 (2018: £16,279,436) related to unrestricted funds.

The overall policy is to build up free reserves by means of annual operating surpluses to cover the current and future needs of the School. At present all unrestricted surpluses together with borrowings have been used to finance improvements to the School's buildings and facilities.

The School holds sufficient cash resources to meet day to day operating requirements.

Investment policy and objectives

There are no restrictions on the company's absolute powers of investment. The Board's Investment Policy for the Restricted Funds' Investments is to maximise the overall return through income and capital growth, relative to the School's taxation status as a charity, whilst bearing in mind the ongoing cash requirements of awards already made. It is appropriate for a proportion of these funds to be in cash deposits and available to meet any unforeseen expenditure. The School works with its Fund Manager to avoid investment in socially unacceptable sectors.

FUTURE PLANS

The key objectives within the current strategic plan are:

- To maintain small class sizes in the Preparatory and Lower School.
- To maintain the School roll in the Sixth Form.
- To provide a curriculum which is broad and balanced, preparing students for Higher Education whilst enriching their lives.
- To maintain high academic standards as measured by public examinations and independent value added criteria.
- To increase the range and quality of extracurricular and public service opportunities.
- To widen access to the School through the provision of additional means tested awards.
- To continue strengthening links with local schools, sharing facilities and good practice.
- To form closer working relationships with our stakeholders: all Alumni and their parents, the Old Bancroftian Association, Parents' Association, the Drapers' Company, current and former staff.
- To continue to develop relationships with Queen Mary, University of London thus further developing the School as a centre of excellence.
- To accumulate funds in a strategic Cash Reserve to cover the current and future needs of the School by means of annual operating surpluses.
- To expand Bancroft's School Foundation to act as the focus for future fund raising for means tested awards to widen access to talented children of all backgrounds.
- To continue to ensure that School facilities are maintained in the best condition and upgraded as required to meet new and enduring purposes.

ACCOUNTING AND REPORTING RESPONSIBILITIES

The purpose of this statement is to distinguish the Directors' responsibilities for the accounts from those of the auditors as stated in their report.

Company law requires the Directors to prepare accounts for each financial year, which give a true and fair view

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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

of the state of affairs of the company and of its net income or expenditure for the year.

In preparing the accounts the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy, the financial position of the company at any time, and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the company's corporate assets and those of its trust funds and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

POST BALANCE SHEET EVENT

The accounts are approved during a period where there is much uncertainty as a result of the emergence and international spread of coronavirus (COVID-19). The School's response has been to implement its contingency planning arrangements for such circumstances to remotely deliver its first class education and pastoral care. The School will therefore be able to serve its pupils in spite of the government deciding to implement physical closure of UK schools. As part of contingency planning, remote systems of delivery have been implemented, staff have been trained and the delivery has been trialled and was well received by pupils. The ultimate impact of COVID-19 on the UK, the world, the economy and the School community is yet to be fully seen. However, through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken, cashflow is continuously monitored, along with the impact of the crisis on income levels and the governors consider it appropriate for the going concern basis to be adopted for these accounts.

COVID-19 is considered to be a non-adjusting post balance sheet event and therefore has not been taken into account in preparing the balance sheet as at 31 August 2019.

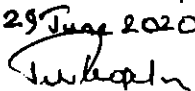
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GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

AUDITORS

Messrs haysmacintyre have indicated their willingness to continue in office. The Designated Directors will propose a motion re-appointing them auditors at a meeting of the Company.

The Governors Report, incorporating the Strategic Report was approved by the Board of Directors at its meeting on 29 July 2020 and signed on its behalf by:



Professor P Kopelman MD, FRCP, FFPH FAcadMED Chairman

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AUDITORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the financial statements of Bancroft's School for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2019 and of the group's and parent charitable company's net movement in funds, including the 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 group 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.

Responsibilities of Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors (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 Directors 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 Directors are responsible for assessing the group's and the parent 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 Directors either intend to liquidate the group or the parent 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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AUDITORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

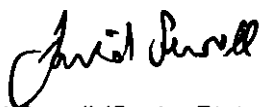
Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.



David Sewell (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

13th July 2020

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Charitable activities:					
School fees receivable	8	17,782,533	-	17,782,533	17,261,038
Other educational income	8	179,805	-	179,805	186,761
Other trading activities:					
Trading company	4	90,369	-	90,369	77,593
Activities for generating funds	6	80,889	-	80,889	82,218
Investment income	7	9,997	31,117	41,114	33,695
Voluntary income	5	195,145	412,866	608,011	331,947
TOTAL INCOME		18,338,738	443,983	18,782,721	17,973,252
EXPENDITURE ON:					
Charitable activities	9	17,208,658	256,153	17,464,811	16,414,457
Raising funds:					
Trading expenses and other costs		81,049	-	81,049	85,745
Trading company costs	4	85,093	-	85,093	82,771
Investment manager's fees		-	5,808	5,808	5,675
TOTAL EXPENDITURE		17,374,800	261,961	17,636,761	16,588,648
NET INCOME BEFORE INVESTMENT GAINS & LOSSES		963,938	182,022	1,145,960	1,384,604
Unrealised investment gains		-	11,169	11,169	14,044
Realised investment gain/(loss)		-	5,202	5,202	(3,861)
NET MOVEMENT IN FUNDS FOR THE YEAR		963,938	198,393	1,162,331	1,394,787
Total funds at 1 September 2018		16,279,436	1,750,477	18,029,913	16,635,126
TOTAL FUNDS AT 31 AUGUST 2019		17,243,374	1,948,870	19,192,244	18,029,913

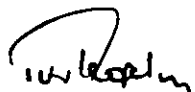
All activities relate to continuing operations.
The notes on pages 16 to 35 form part of these financial statements.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 03513962

CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 AUGUST 2019

		2019		2018	
	Note	Group £	School £	Group £	School £
FIXED ASSETS					
Tangible assets	13	19,799,743	19,799,743	19,227,482	19,227,482
Investments	14	728,060	728,160	698,497	698,597
		<u>20,527,803</u>	<u>20,527,903</u>	<u>19,925,979</u>	<u>19,926,079</u>
CURRENT ASSETS					
Stocks	15	42,319	42,319	39,662	39,662
Debtors	16	675,267	725,123	636,783	633,220
Bank		2,609,318	2,531,749	2,377,134	2,364,640
		<u>3,326,904</u>	<u>3,299,191</u>	<u>3,053,579</u>	<u>3,037,522</u>
CREDITORS: amounts falling due within one year	17	(3,255,610)	(3,228,316)	(3,054,268)	(3,033,164)
NET CURRENT ASSETS/(LIABILITIES)		<u>71,294</u>	<u>70,875</u>	<u>(689)</u>	<u>4,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,599,097</u>	<u>20,598,778</u>	<u>19,925,290</u>	<u>19,930,437</u>
CREDITORS: amounts falling due after more than one year	18	(1,406,853)	(1,406,853)	(1,895,377)	(1,895,377)
NET ASSETS		<u>19,192,244</u>	<u>19,191,925</u>	<u>18,029,913</u>	<u>18,035,060</u>
CHARITY FUNDS					
Restricted funds	19	1,948,870	1,958,870	1,750,477	1,750,477
Unrestricted funds	19	17,243,374	17,233,055	16,279,436	16,284,583
		<u>19,192,244</u>	<u>19,191,925</u>	<u>18,029,913</u>	<u>18,035,060</u>

The financial statements were approved by the Governors on 29 June 2020
behalf, by:



Professor P Kopelman MD, Chairman

and signed on their

The notes on pages 16 to 35 form part of these financial statements.

The surplus of the School only is £1,156,865 (2018: £1,399,934).

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £	2018 £
Net cash flow from operating activities	21	2,164,852	1,795,567
Cash flows from investing activities	22	(1,372,661)	(1,146,993)
Net cash flow from financing activities	22	(560,007)	(835,688)
Bank overdraft	17	-	217,663
Increase in cash in the year		<u>232,184</u>	<u>30,549</u>
 Cash and cash equivalents at the beginning of the year		<u>2,377,134</u>	<u>2,346,585</u>
Cash and cash equivalents at the end of the year		<u><u>2,609,318</u></u>	<u><u>2,377,134</u></u>

The notes on pages 16 to 35 form part of these financial statements.

BANCROFT'S SCHOOL

(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006* and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – effective 1 January 2015.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments.

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 9.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the School and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the School alone as permitted by section 408 of the Companies Act 2006.

The worldwide outbreak of the COVID-19 virus represents a significant event since the end of the financial year. The School has reviewed its cashflow and considered the impact on going concern, concluding that the going concern basis remains an appropriate basis for preparation for these financial statements given the likely cashflow impact of operations for 12 months from the date of signing this report.

1.2 COMPANY STATUS

The School is a Public Benefit Entity registered as a charity in England and Wales and is a company limited by guarantee. The members of the School are the Directors named on page 3. In the event of the School being wound up, the liability in respect of the guarantee is limited to £1 per member of the School. It was incorporated on 19 February 1998 (company number 03513962) and registered as a charity on 10 March 1998 (charity number 1068532).

1.3 FEES AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable are gross fees, less scholarships and other allowances, but include contributions received from The Scholarship Fund, a Designated Fund.

The Scholarship Fund income received from The Drapers' Charitable Fund, Francis Bancroft Trust and other charities, including the Old Bancroftian Association, is used to support means tested Francis Bancroft Scholarships and is accounted for in the year for which the funds are provided.

BANCROFT'S SCHOOL

(A Company Limited by Guarantee)

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

1.4 DONATIONS AND REQUESTS

Donations receivable for the general purposes of the School are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor would be taken to Restricted Funds where these wishes are legally binding on the Directors.

1.5 EXPENDITURE

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

1.6 SCHOOL LAND AND BUILDINGS AND EQUIPMENT

Capitalisation and replacement

The School land, together with the original buildings (which are all Grade 2 listed) and separate sports ground and buildings, are held in trust, at nil value, subject to an obligation to preserve them for educational use. These assets have not been revalued since the incorporation of the School as a company limited by guarantee in 1998. The original land and buildings have not been revalued as the costs involved would be onerous compared to the additional benefit derived by the users of the accounts in assessing the directors' stewardship of the assets. The Directors are responsible for keeping the original buildings in a fit and useful condition, the costs of doing so are written off as and when incurred.

Building improvement and extensions, furniture and equipment, additional to the assets at time of incorporation and costing more than £5,000 are capitalised and carried in the Balance sheet at historical cost.

Depreciation

The freehold school land is not depreciated. The original school buildings have to be maintained in good working order and are therefore considered to have an indefinite useful economic life. As such they are not depreciated, but annual impairment reviews have confirmed that their service potential remains undiminished. Depreciation of other assets is provided on a straight-line basis at rates calculated to write off the excess cost, over estimated residual amount, evenly over the estimated useful economic lives of each class of asset, subject to annual review.

These rates are currently:

Freehold and long leasehold buildings	- 50 years
Furniture and equipment	- 5 years
Motor vehicles	- 5 years

Items costing less than £5,000 are written off as an expense as acquired.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

1.7 INVESTMENTS

Listed investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Subsidiary undertakings

Investment in subsidiary is valued at cost less provision for impairment.

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete stocks. Cost includes all direct costs.

1.9 ACCEPTANCE DEPOSITS

On occasions parents choose not to send a pupil to the School after formally accepting a place. In such circumstances the acceptance deposit is withheld according to the School's terms and conditions.

1.10 ADVANCE FEE PAYMENTS

Parents may enter into a contract with the School to pay tuition fees in advance and by doing so they receive an agreed level of fees for the relevant year.

1.11 FUND ACCOUNTING

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the School for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. The restricted fund monies are held in a separate designated bank account.

Investment income, gains and losses are allocated to the appropriate fund.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

1.12 PENSIONS

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme, which are attributable to the School. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The School also contributes to individual personal pension schemes for support staff at 10% of salary. The scheme is administered by Standard Life.

Contributions to both schemes are charged in the Statement of Financial Activities (SOFA) as they become payable in accordance with the rules of the schemes.

1.13 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.14 FINANCIAL INSTRUMENTS

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the accounting policies, Governors are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Directors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

3. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the SOFA includes those of the charity's wholly owned subsidiary, Bancroft's Enterprises Limited.

A summary of the financial activities undertaken by the charity is set out below:

	2019	2018
	£	£
Gross income	18,692,162	17,845,628
Costs of generating funds	(86,857)	(91,420)
Expenditure on charitable activities	(17,464,811)	(16,364,457)
Realised and unrealised (losses)/gains on investments	16,371	10,183
Net movement in funds	1,156,865	1,399,934
Total funds brought forward	18,035,060	16,635,126
Total funds carried forward	19,191,925	18,035,060
Represented by:		
Restricted funds	1,958,870	1,750,477
Unrestricted funds	17,233,055	16,284,583
Total	19,191,925	18,035,060

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

4. INCOME FROM TRADING COMPANY

The wholly owned trading subsidiary Bancroft's Enterprises Limited is incorporated in the United Kingdom. Bancroft's Enterprises Limited hires out the sports facilities owned by the School. The charity owns the entire share capital of £100 ordinary shares of £1 each. A summary of the trading results is shown below:

	2019 £	2018 £
Turnover – external	90,369	77,593
Cost of sales and administration costs - Bancroft's School	-	-
- external	(85,093)	(82,772)
Interest receivable	189	32
Net profit/(loss)	<u>5,465</u>	<u>(5,147)</u>
The assets and liabilities of the subsidiary were:		
Current assets	79,430	65,711
Current liabilities	(79,011)	(70,758)
Total net assets/(liabilities)	<u>419</u>	<u>(5,047)</u>
Aggregate share capital and reserves	<u>419</u>	<u>(5,047)</u>

5. VOLUNTARY INCOME

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bancroft's Foundation	94,743	-	94,743	135,815
Drapers' Charitable Fund	50,000	-	50,000	50,000
Peter Salsbury Legacy	250,000	-	250,000	-
Francis Bancroft Trust	-	173,219	173,219	110,886
Old Bancroftian Association (VI Form Scholarship Trust)	18,123	-	18,123	17,382
Other donations	-	21,926	21,926	17,864
Voluntary income	<u>412,866</u>	<u>195,145</u>	<u>608,011</u>	<u>331,947</u>

The School is the sole beneficiary of the Francis Bancroft Trust, which is administered by the Drapers' Company.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

6. ACTIVITIES FOR GENERATING FUNDS

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Trading income	-	80,889	80,889	82,218

Trading income relates to confectionary and sundry items.

7. INVESTMENT INCOME

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	25,092	-	25,092	25,421
Interest receivable	6,025	9,997	16,022	8,274
	<u>31,117</u>	<u>9,997</u>	<u>41,114</u>	<u>33,695</u>

8. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2019 £	Unrestricted Funds 2018 £
School Fees Receivable		
Gross fees	19,560,404	19,034,668
Less: Total scholarships and other allowances	(2,039,832)	(1,963,102)
Add: Bursaries funded from – restricted funds	261,961	189,472
	<u>17,782,533</u>	<u>17,261,038</u>
 Academic scholarships	 1,525,918	 1,530,576
Other Allowances	454,842	432,526
	<u>1,980,760</u>	<u>1,963,102</u>
 Other educational income		
Entrance and registration fees	49,550	47,420
Rents and lettings	35,281	32,487
Other incoming resources	94,974	106,854
	<u>179,805</u>	<u>186,761</u>

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

9. EXPENDITURE BY CHARITABLE ACTIVITY	Restricted funds	Unrestricted funds	Total funds	Total funds
	2019	2019	2019	2018
	£	£	£	£
SUMMARY BY FUND TYPE				
Teaching	-	10,687,782	10,687,782	10,062,033
Welfare	-	1,261,118	1,261,118	1,202,899
Premises	-	3,212,170	3,212,170	2,899,331
Support and administration	-	1,987,129	1,987,129	1,967,535
Grants and awards	256,153	-	256,153	150,457
Bank loan interest	-	60,459	60,459	132,202
	<u>256,153</u>	<u>17,208,658</u>	<u>17,464,811</u>	<u>16,414,457</u>
SUMMARY BY EXPENDITURE TYPE				
	Staff costs	Depreciation	Other costs	Total
	2019	2019	2019	2019
	£	£	£	£
Teaching	9,509,961	-	1,177,821	10,687,782
Welfare	571,360	-	689,758	1,261,118
Premises	515,693	806,938	1,889,539	3,212,170
Support and administration	1,339,940	-	647,189	1,987,129
Grants and awards	-	-	256,153	256,153
Bank loan interest	-	-	60,459	60,459
	<u>11,936,954</u>	<u>806,938</u>	<u>4,720,919</u>	<u>17,464,811</u>
	<u>11,936,954</u>	<u>806,938</u>	<u>4,720,919</u>	<u>17,464,811</u>

Comparative figures for note 9 are shown in note 27 on page 34.

10. GOVERNANCE COSTS INCLUDED IN SUPPORT AND ADMINISTRATION

	Restricted funds	Unrestricted Funds	Total funds	Total funds
	2019	2019	2019	2018
	£	£	£	£
Auditors remuneration (including VAT)				
Audit fee	-	25,620	25,620	24,600
Non-audit services	-	4,500	4,500	4,320
	<u>-</u>	<u>30,120</u>	<u>30,120</u>	<u>28,920</u>

During the year, four Governors received reimbursement of expenses totalling £nil (2018: £1,770).

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

11. RELATED PARTY TRANSACTIONS

The Directors, who are also the Governors and Trustees, received no remuneration during the year (2018: £nil).

The Governors were protected against claims of negligence and error with professional indemnity insurance, which has a limit of £5,000,000. The cost of the premium is included in the combined insurance premium and cannot be identified separately.

One governor has a child in the School and paid fees on an arms-length basis (2018: one).

12. STAFF COSTS

	2019	2018
	£	£
Staff costs were as follows		
Payroll costs were:		
Teaching staff	9,509,962	8,980,584
Non-teaching staff	2,480,949	2,354,795
	<u>11,990,911</u>	<u>11,335,379</u>
Wages and salaries	9,420,649	8,841,630
Social security costs	1,016,689	977,429
Other pension costs	1,323,832	1,238,527
Medical & health Insurance	229,741	277,793
	<u>11,990,911</u>	<u>11,335,379</u>

Included above are staff costs in relation to trading costs of £53,956 (2018: £28,751). The balance of staff costs of £11,936,954 (2018: £11,306,628) are shown within Charitable Activity expenditure (shown in note 9).

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

	2019	2018
	No.	No.
Teaching	198	187
Support	65	66
	<u>263</u>	<u>253</u>

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

12. STAFF COSTS (continued)

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £60,001 - £70,000	17	12
In the band £70,001 - £80,000	4	5
In the band £80,001 - £90,000	3	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	0	1
In the band £110,001 - £150,000	1	1
	26	21

The number of higher paid employees belonging to pension schemes were as follows:

	2019 No	2018 No.
Defined Benefit Scheme	23	19
Defined Contribution Scheme	3	2
Total	26	21

The key Management Personnel in the School are the members of the Senior Leadership Team (SLT) and the Governing Body. The Governors are unremunerated and the total amount of remuneration, benefits (excluding those listed below) and pensions paid to the SLT was £1,062,821 (2018: £988,472).

In addition to the above payments and those contained in the bandings above, the School provides fee remissions to teaching and other staff as is normal in the Independent School's sector and accommodation to the Head who is entitled to accommodation by virtue of his role.

There were no redundancy and termination payments made during the year (2018: none). There was £nil outstanding at the year-end (2018: £nil) in respect of redundancy and termination payments.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

13. TANGIBLE FIXED ASSETS

GROUP	Freehold property £	Motor vehicles £	Fixtures & fittings £	Total £
COST				
At 1 September 2018	24,004,790	106,969	1,747,914	25,859,673
Additions	1,129,655	-	249,544	1,379,199
At 31 August 2019	25,134,445	106,969	1,997,458	27,238,872
DEPRECIATION				
At 1 September 2018	5,495,741	36,813	1,099,637	6,632,191
Charge for the year	619,626	16,743	170,569	806,938
At 31 August 2019	6,115,367	53,556	1,270,206	7,439,129
NET BOOK VALUE				
At 31 August 2019	19,019,078	53,413	727,252	19,799,743
At 31 August 2018	18,509,049	70,156	648,277	19,227,482
SCHOOL				
COST				
At 1 September 2018	24,004,790	106,969	1,747,914	25,859,673
Additions	1,129,655	-	249,544	1,379,199
At 31 August 2019	25,134,445	106,969	1,997,458	27,238,872
DEPRECIATION				
At 1 September 2018	5,495,741	36,813	1,099,637	6,632,191
Charge for the year	619,626	16,743	170,569	806,938
At 31 August 2019	6,115,367	53,556	1,270,206	7,439,129
NET BOOK VALUE				
At 31 August 2019	19,019,078	53,413	727,252	19,799,743
At 31 August 2018	18,509,049	70,156	648,277	19,227,482

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

14. INVESTMENTS	GROUP		SCHOOL	
	2019 £	2018 £	2019 £	2018 £
At 1 September 2018	698,497	676,747	698,497	676,747
Additions	226,722	56,824	226,722	56,824
Disposals	(214,255)	(48,342)	(214,255)	(48,342)
Realised/Unrealised gain	16,367	14,044	16,367	14,044
	727,331	699,273	727,331	699,273
Movement in cash held within portfolio	729	(776)	729	(776)
At 31 August 2019	728,060	698,497	728,060	698,497
Historic cost	638,226	556,366	638,226	556,336
At market value				
Listed investments	728,060	698,497	728,060	698,497
Investment in Bancroft's Enterprises Limited	-	-	100	100
	728,060	698,497	728,160	698,597
15. STOCKS	GROUP		SCHOOL	
	2019 £	2018 £	2019 £	2018 £
Stocks and finished goods for resale	42,319	39,662	42,319	39,662

BANCROFT'S SCHOOL**(A Company Limited by Guarantee)**

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

16. DEBTORS	GROUP		SCHOOL	
	2019 £	2018 £	2019 £	2018 £
Fee debtors (less bad debt provision)	209,613	326,174	209,613	326,174
Amounts owed by subsidiary	-	-	51,717	49,655
Other debtors	465,654	310,609	463,793	257,391
	<u>675,267</u>	<u>636,783</u>	<u>725,123</u>	<u>633,220</u>

17. CREDITORS: amounts falling due within one year	GROUP		SCHOOL	
	2019 £	2018 £	2019 £	2018 £
Bank loans	500,000	538,715	500,000	538,715
Bank overdraft	-	217,663	-	217,663
Payments received on account	1,302,938	1,237,181	1,302,938	1,237,181
Trade creditors	526,727	256,817	513,549	251,702
Social security and other taxes	2,917	1,440	-	-
Other creditors	323,643	235,276	323,643	235,276
Accruals and deferred income	599,385	567,176	588,186	552,627
	<u>3,255,610</u>	<u>3,054,268</u>	<u>3,228,316</u>	<u>3,033,164</u>

18. CREDITORS: amounts falling due after more than one year	GROUP		SCHOOL	
	2019 £	2018 £	2019 £	2018 £
Bank loans	1,034,162	1,495,000	1,034,162	1,495,000
Deposits in advance	354,935	347,860	354,935	347,860
Fees in advance	17,756	52,517	17,756	52,517
	<u>1,406,853</u>	<u>1,895,377</u>	<u>1,406,853</u>	<u>1,895,377</u>

The bank loans represent unsecured development finance for completed building projects. The bank loans are repayable in instalments over varying lengths of time, with the last expiring in December 2022. The loans were based on varying interest rates from LIBOR + 0.8% to LIBOR + 1.9%, with some being fixed via interest rate swaps at interest rates ranging from 1.3% to 6.6%.

BANCROFT'S SCHOOL
(A Company Limited by Guarantee)

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

18. CREDITORS: amounts falling due after more than one year (continued)

Advance fees

Parents may enter into a contract to pay to the School up to the equivalent of 11 years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the School, advance fees will be applied as follows:

	2019 £	2018 £
Within 2 to 5 years	-	-
Within 1 to 2 years	17,756	52,517
	<u>17,756</u>	<u>52,517</u>
Within 1 year	34,761	33,860
	<u>52,517</u>	<u>86,377</u>

The balance represents the accrued liability under the contracts. The movements during the year were:

	£
Balance at 31 August 2018	86,377
New contracts	-
Amounts utilised in payment of fees	(33,860)
Balance at 31 August 2019	<u>52,517</u>

19. CHARITY FUNDS - 2019	Brought Forward £	Income £	Expenditure £	Investment gains £	Carried Forward £
GENERAL FUNDS					
General Fund	16,279,436	18,338,738	(17,374,800)	-	17,243,374
Total Unrestricted funds	<u>16,279,436</u>	<u>18,338,738</u>	<u>(17,374,800)</u>	<u>-</u>	<u>17,243,374</u>
RESTRICTED FUNDS					
Bancroft's Foundation	1,630,477	94,743	(183,838)	16,371	1,557,753
Drapers' Charitable Fund	-	50,000	(50,000)	-	-
Old Bancroftian Association (VI Form Scholarship Trust)	-	18,123	(18,123)	-	-
Clark Willmott legacy	50,000	-	-	-	50,000
Peter Salsbury Legacy	-	250,000	-	-	250,000
Other Bursaries	70,000	31,117	(10,000)	-	91,117
Total Restricted Funds	<u>1,750,477</u>	<u>443,983</u>	<u>(261,961)</u>	<u>16,371</u>	<u>1,948,870</u>
Total funds	<u><u>18,029,913</u></u>	<u><u>18,782,721</u></u>	<u><u>(17,636,761)</u></u>	<u><u>16,371</u></u>	<u><u>19,192,244</u></u>

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19. CHARITY FUNDS (continued)

CHARITY FUNDS - 2018

	Brought Forward £	Income £	Expenditure £	Investment gains £	Carried Forward £
GENERAL FUNDS					
General Fund	14,946,590	17,732,022	(16,399,176)	-	16,279,436
Total Unrestricted funds	14,946,590	17,732,022	(16,399,176)	-	16,279,436
RESTRICTED FUNDS					
Bancroft's Foundation	1,563,764	163,848	(107,318)	10,183	1,630,477
Drapers' Charitable Fund	-	50,000	(50,000)	-	-
Old Bancroftian Association (VI Form Scholarship Trust)	-	17,382	(17,382)	-	-
Clark Willmott legacy	50,000	-	-	-	50,000
Other Bursaries	74,772	10,000	(14,772)	-	70,000
Total Restricted Funds	1,688,536	241,230	(189,472)	10,183	1,750,477
Total funds	16,635,126	17,973,252	(16,588,648)	10,183	18,029,913

- 1) **Bancroft's Foundation**
This is a restricted fund used to provide means tested fee assistance
- 2) **Drapers' Charitable Fund**
This is a restricted fund used to provide fee assistance
- 3) **Old Bancroftian Association**
This is a restricted fund used to provide fee assistance
- 4) **Clark Willmott legacy**
This is a restricted fund to provide financial assistance for modern foreign language exchange programmes. This fund is now being used to support a student from Autumn term 2019.
- 5) **Peter Salsbury legacy**
This is a restricted fund to be used for the purpose of paying school fees for those who cannot otherwise afford them. The selection of the candidates for these bursaries will be at the discretion of the Governors of the School as recommended by the Head.
- 6) **Other Bursaries**
This is a restricted fund used to provide fee assistance.

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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2019

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Tangible fixed assets	-	19,799,743	19,799,743	19,227,482
Investments	728,060	-	728,060	698,497
Current assets	1,220,810	2,106,094	3,326,904	3,053,579
Creditors due within one year	-	(3,255,610)	(3,255,610)	(3,054,268)
Creditors due in more than one year	-	(1,406,853)	(1,406,853)	(1,895,377)
	<u>1,948,870</u>	<u>17,243,374</u>	<u>19,192,244</u>	<u>18,029,913</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – 2018

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Tangible fixed assets	-	19,227,482	19,227,482	18,873,752
Investments	698,497	-	698,497	676,747
Current assets	1,051,980	2,001,599	3,053,579	2,878,832
Creditors due within one year	-	(3,054,268)	(3,054,268)	(3,221,686)
Creditors due in more than one year	-	(1,895,377)	(1,895,377)	(2,572,519)
	<u>1,750,477</u>	<u>16,279,436</u>	<u>18,029,913</u>	<u>16,635,126</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income before revaluations	1,145,960	1,384,604
Returns on investments and servicing of finance	40,724	118,844
Depreciation of tangible fixed assets	806,938	750,641
Decrease in stocks	(2,657)	(1,264)
Increase in debtors	(56,404)	(142,934)
Increase/(decrease) in creditors	212,371	(358,737)
Gains on disposal of fixed assets	-	44,413
NET CASH INFLOW FROM OPERATIONS	<u>2,164,852</u>	<u>1,795,567</u>

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22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT	2019 £	2018 £
CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	15,387	8,242
Income from investments	9,705	10,791
Investment management charges	(5,808)	(5,675)
Purchase of tangible fixed assets	(1,379,199)	(1,148,784)
Purchase of listed investments	(226,722)	(56,824)
Sale of listed investments	214,255	44,481
Movement in cash investment	(729)	776
NET CASH FLOW FROM INVESTING ACTIVITIES	<u>(1,372,661)</u>	<u>(1,146,993)</u>
FINANCING		
Interest paid	(60,459)	(132,202)
Net Repayment of bank loans	(499,548)	(703,486)
NET CASH FLOW FROM FINANCING ACTIVITIES	<u>(560,007)</u>	<u>(835,688)</u>

23. FINANCIAL INSTRUMENTS	Group		School	
	2019 £	2018 £	2019 £	2018 £
Financial assets measured at amortised cost				
(a)	675,267	636,783	725,123	633,220
Financial assets measured at fair value (b)	728,060	698,497	728,060	698,497
Financial liabilities measured at amortised cost (c)	<u>(2,760,140)</u>	<u>(3,145,288)</u>	<u>(2,744,045)</u>	<u>(3,138,733)</u>

- (a) Financial assets measured at amortised cost include trade and fee debtors, staff loans, other debtors, accrued income and amounts due from subsidiary.
- (b) Financial assets held at fair value included assets held as investments
- (c) Financial liabilities include deposits, fees in advance, trade creditors, other creditors, bank loans and overdrafts.

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £nil (2018: £nil).

24. CAPITAL COMMITMENTS

At 31 August 2019 the group and School was committed to £709,740 of capital expenditure for the conversion of the Head's House to offices (2018: £nil).

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS

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 £1,753,762 (2018: £985,696) and at the year-end £nil (2018 - £nil) 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.

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.

The School also runs a money purchase scheme for qualifying support staff. The cost for the year represents the School's contributions to the scheme of £387,258 (2018: £248,326).

The School's contributions to the Bancroft's School PRE1992/200 Benefits Schemes in the year were £11,924 (2018: £12,457).

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26. OPERATING LEASE COMMITMENTS

At 31 August 2019 the Group minimum lease payments under non-cancellable operating leases as follows:

GROUP AND SCHOOL	2019 £	2018 £
EXPIRY DATE:		
Less than 1 year	250,265	415,796
Between 1 and 5 years	314,670	222,447

27. EXPENDITURE BY CHARITABLE ACTIVITY

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
SUMMARY BY FUND TYPE			
Teaching	-	10,062,033	10,062,033
Welfare	-	1,202,899	1,202,899
Premises	-	2,899,331	2,899,331
Support and administration	33,340	1,934,195	1,967,535
Grants and awards	150,457	-	150,457
Bank loan interest	-	132,202	132,202
	183,797	16,230,660	16,414,457

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2018 £	Depreciation 2018 £	Other costs 2018 £	Total 2018 £
Teaching	8,980,584	-	1,081,449	10,062,033
Welfare	543,512	-	659,387	1,202,899
Premises	526,179	750,642	1,622,510	2,899,331
Support and administration	1,256,353	-	711,182	1,967,535
Grants and awards	-	-	150,457	150,457
Bank loan interest	-	-	132,202	132,202
	11,306,628	750,642	4,357,187	16,414,457

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28. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
INCOME FROM:				
Charitable activities:				
School fees receivable	8	17,251,038	10,000	17,261,038
Other educational income	8	186,761	-	186,761
Other trading activities:				
Trading company	4	77,593	-	77,593
Activities for generating funds	6	82,218	-	82,218
Investment income	7	5,662	28,033	33,695
Voluntary income	5	128,750	203,197	331,947
TOTAL INCOME		17,732,022	241,230	17,973,252
EXPENDITURE ON:				
Charitable activities	9	16,230,660	183,797	16,414,457
Raising funds:				
Trading expenses and other costs		85,745	-	85,745
Trading company		82,771	-	82,771
Investment manager's fees		-	5,675	5,675
TOTAL EXPENDITURE		16,399,176	189,472	16,588,648
NET INCOME BEFORE INVESTMENT GAINS & LOSSES		1,332,846	51,758	1,384,604
Unrealised investment gains		-	14,044	14,044
Realised investment losses		-	(3,861)	(3,861)
NET MOVEMENT IN FUNDS FOR THE YEAR		1,332,846	61,941	1,394,787
Total funds at 1 September 2017		14,946,590	1,688,536	16,635,126
TOTAL FUNDS AT 31 AUGUST 2018		16,279,436	1,750,477	18,029,913