

Company No. 01088993
Charity No. 312999

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

INDEX

Report of the Board of Governors	2
Independent Auditor's Report	11
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED REPORT OF THE BOARD OF GOVERNORS

The governors present their report and accounts for St Christopher's School (Hampstead) Ltd for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Companies Act 2006 and the "Accounting and Reporting by Charities: 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 (FRS102) (effective 1st January 2015).

The Governors for the period under review to the date of signing the financial statements were:

N Green - Chair
C Arney (Resigned 1 October 2019)
P Gilmartin
I Dagtoglou (Resigned 1 October 2019)
R Lewis
F Ramsey
J Cohen
A Sandars
S Kavanaugh
V Durham (Appointed 1 October 2019)
M Hersheson (Appointed 1 October 2019)
R Sherwood (Appointed 1 October 2019)
A Waddington (Appointed 1 October 2019)
S Knollys (Appointed 23 June 2020)

The Company has no share capital and consequently none of the Governors has any interest in any shares of the Company. The Governors constitute directors of the company for Companies Act 2006 purposes.

Structure, governance and management

St Christopher's School (Hampstead) Limited was formed in 1972. The school is a registered charity No. 312999 and a company limited by Guarantee No. 01088993. The school's address is 32 Belsize Lane, London, NW3 5AE. The school's registered office is at 66 Prescott Street, London E1 8NN.

Election of governors

New governors to St Christopher's School are elected by the whole governing body of the School. No person shall be admitted as a member unless they are first approved by the governing body and the governing body has absolute discretion as to the admission of this person. New governors are given an introductory pack by the clerk to the governors (also the Company Secretary) which includes a copy of the Articles, a detailed history of the school, an Application for membership and a Declaration of willingness to act as a governor. The governors also have access to an online Board Portal which contains key information including policies and meeting agendas and minutes. The Company Secretary registers new governors online at Companies House.

The governors give their time on a voluntary basis to the governance of the charity. The school governors attend appropriate training according to their skills base.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
REPORT OF THE BOARD OF GOVERNORS

Senior leadership team

The following members of staff were part of the senior leadership team for the period under review

Head – C Lough (resigned 31 August 2020)
Head – S Paillasse (appointed 31 August 2020)
Bursar – E Ghosh
Deputy Head – A Stockdale (resigned 28 October 2020)
Strategy Director – L Coutts (fixed-term contract; left August 2020)
Assistant Head Academic – M Clarke
Assistant Head Pastoral – R Thomas
Head of Lower School – E Schierenberg

Principal address:	32 Belsize Lane Hampstead London NW3 5AE
Registered office:	66 Prescott Street London E1 8NN
Auditor:	Crowe U.K. LLP Aquis House 49-51 Blagrove Street Reading RG1 1PL
Bankers:	Lloyds Bank Camden Town Branch 140 Camden High Street London NW1 0NG
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields Holborn London WC2A 3LH
Insurance Broker:	Aon UK Limited 1 Foxfield Hazlemere High Wycombe Bucks HP15 7AQ

Organisational structure and decision making

St Christopher's School is governed by a board of governors. The Board appoints the Head and in consultation with the Head, the Bursar.

The Head reports to the governors at termly Board meetings having sent out a written report on that term's activities. This report and other related matters are discussed at each Board Meeting. The Bursar will refer, on a termly basis, to the Board with financial reports, building reports and any other matters concerning the noneducational aspects of running the school.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

The annual audited accounts for St Christopher's School are presented to the Board for their approval. Meetings of the Board are called, when required, over and above the termly Board Meetings.

There are six sub-committees who meet on a termly basis and prepare a report for the Board's consideration. The sub-committees are as follows - Health, Safety and Premises Committee, Finance Committee, Strategy Committee, Safeguarding and Welfare Committee, Education Committee, and a Partnerships and Bursary Committee.

The Head holds fortnightly meetings with all the teaching staff to discuss the educational running of the school and specific topics. Day-to-day matters are discussed at weekly briefings, chaired by the Head. Senior Leadership Team (SLT) meetings are held weekly. The Head meets with each member of the SLT weekly. The Head is responsible for the appointment of all staff, other than the Bursar, who is appointed by the governors and who also fills the role of clerk to the governors. The appointment of other members of the Senior Leadership Team is done in conjunction with the education committee.

The school operates banded salary ranges for teaching staff. The banded ranges are benchmarked against those of other independent schools using external third-party surveys. This allows the school to retain high calibre staff. All salaries and bands are reviewed annually and any increase is approved by the governors. The salaries of key personnel are reviewed by the finance committee.

The school benefits from its relationship with the Friends Of St Christopher's (FOSC). This is a charity managed and operated by the parents of St Christopher's who generously donate funds for particular projects.

Objectives and activities

The aim of the charity is to provide preparatory school education for girls between 4 and 11 years within a secure, friendly learning environment where there is a strong emphasis placed on academic and social development. The school's key objectives are as follows:

- To achieve high academic standards by encouraging independent learning in a stimulating and child centred environment that fosters our pupils' ability to take their own decisions
- To integrate creativity in all its aspects across the curriculum
- To instil an atmosphere of mutual trust, tolerance and friendship centred around respect – for self, for each other and for the community and environment in which we live and work
- To help our pupils develop over time into responsible, self-confident and aware young people, ready to embrace the challenges of secondary education and the modern world beyond
- To engage with and support the wider community in which the school is located through charitable work, providing access to the school's facilities and resources and providing financial assistance to those who may not otherwise be in a position to benefit from a St Christopher's education

The principal beneficiaries are the school's pupils who are encouraged to take advantage of the broad curriculum which encompasses the arts and sciences, alongside the skills of literacy and numeracy. Pupils' needs are met by reviewing the curriculum, continuous assessment of their educational and personal development, achievements and regular interaction with their parents.

The medium to long-term aims of the charity are to offer an all-round, intellectually stimulating and inclusive education to girls, broadening their academic horizons whilst nurturing kindness, generosity, emotional intelligence and individuality. We aim to prepare our pupils for the full range of potential challenges they may encounter, by guiding them to become deep thinkers and resourceful inquirers. The charity's overarching strategy is to remain an innovative preparatory school and parents' first choice for their daughter's education.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

Key investments for the medium term will include an enhancement to our Reception provision which includes site amendments that are subject to planning approval. Investment in IT equipment will also form a key part of our plans for the next few years – remote and hybrid learning provision has changed the nature of teaching within the school and the resources required by teachers to optimise both in classroom and offsite learning have changed.

Our partnership programme has grown and will continue to grow in the medium term, contacts with local primaries, international schools and with local and global community charities will be fostered and developed over time.

Staff are encouraged to keep up to date with educational research and the developing field of information technology and also to ensure pupils are well prepared for the secondary stage of their education. Staff are encouraged to remain forward thinking in all aspects of the curriculum as part of their professional development.

The policies adopted in furtherance of these objectives are determined by the governors. Within these policies the overall management of the school is delegated to the Head. The financial administration is delegated to the Bursar.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Chair is elected by the Board. It is the custom also to elect a Vice-Chair. Meetings of the Board are chaired by the Chair or in his absence by the Vice-Chair.

Governors are periodically encouraged to attend conferences or seminars, the costs of which are borne by the School. From time to time members of staff are invited to address the Governors.

The Governors (who are directors of St Christopher's School (Hampstead) Limited for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Governors are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware. The Governors have taken the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

GOVERNORS' STRATEGIC REPORT

Public Benefit

In shaping the objectives for the year, the Governors have considered the Charity Commission's guidance on public benefit, including the guidance "Public benefit: running a charity (PB2)". To support the public benefit objectives, the charity supports a number of pupils on means-tested bursaries and the school aims to increase the number of pupils receiving means-tested bursaries within the school.

St Christopher's School supported 6 pupils through its means-tested bursary programme during this financial year (2019: 4 pupils). This support, which is available on a needs basis as determined by the Governors, reduced annual fee income in the current year by £55,172 (2019: £55,125). The Governors continue to consider bursary candidates for the future. In light of COVID-19 it is anticipated that financial assistance demand may increase.

The School has a long tradition of supporting charities. During the year the School community raised £4,578 for other charities including Jeans for Genes, The Royal Free Charity, Children's Society, Royal British Legion, Place2Be.

In this year we partnered with the Royal Free Hospital to raise funds to create a new medicinal garden at the Royal Free Hospital. We also invited pupils from Carlton Primary School in Kentish Town to all our author visits during Book Week. Our Head of Music led a choir at a local primary school and that school also used our sports facility during the week for their sports.

Financial review

The results for the year are set out in the Statement of Financial Activities. This surplus for the year was £343,569 (2019, £162,113); however, this year's results included some unusual activity. Fee reductions of 10% were applied to the summer term invoices to reflect the move to remote learning and many extraordinary costs were incurred associated with managing the COVID-19 risks safely. Certain parents kindly forgave their 10% fee reduction which allowed the school to raise £7,953 – we thank those parents for their contributions. The school's business interruption insurance policy covered £77,437 of the associated costs of COVID-19. However, the surplus that arose this year was in part associated with deferred costs that will be incurred in the 2020-21 financial year. To support parents through these difficult financial times, the school decided to freeze fees for the academic year 2020-21 and will need to absorb many of the additional costs of running the site during COVID-19 in this year.

The school benefited from the furlough scheme for employees for part of the year with a total furlough grant of £49,848 and there were some one-off insurance proceeds and costs associated with a flood and a pupil fee insurance claim of £25,739.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

Reserves Policy

The Governors and the staff are committed to a continual process of improving the school's buildings and facilities. As the main building is well over 100 years old, it requires extensive and continual maintenance which can result in substantial unexpected expenditures. Current reserves are at a level to enable the school to continue to maintain the buildings and school grounds and also to comply with its health and safety and statutory obligations and maintain a buffer in case of unexpected expenses or shortfall in income.

The School aims to maintain reserves at such a level to cover one term's expenditure as a minimum (using the prior year's expenditure to set the target), the target for 2020 was £1,157,075 (2019, £1,113,833), this was maintained throughout the year.

On 31 August 2020 the charity had total reserves of £6,603,442 (2019: £6,259,873) of which £4,894,694 (2019: £5,015,946) was represented by tangible fixed assets (i.e. the school premises and equipment) that could only be realised by their disposal. Of these total reserve funds, £Nil (2019: £Nil) were restricted in use to supporting bursaries as all brought forward reserves were spent in the year.

As at the balance sheet date the free reserves (being total reserve funds less tangible fixed assets and restricted funds) were £1,708,749 (2019: £1,243,927).

Review of Activities and Achievements - Academic

A total of 244 girls were in the school at the end of the accounting period.

As a prep school, we see one of our fundamental roles as helping to ensure the most appropriate outcome for girls as they leave aged 11. We are extremely proud of the range of schools to which our girls proceed, which include leading day and boarding schools. We aim to work closely with parents to find the most fitting choice, and to equip the girls so that they not only take the examinations in their stride, but also thrive once they are there.

Year 6 leavers in July 2020 gained entry to the following senior schools: Camden School for Girls, Channing School, City of London School for Girls, Forest School, Francis Holland School, Godolphin & Latymer School, Haberdashers' Aske's, Henrietta Barnett School, Highgate School, Immanuel College, North London Collegiate, Northwood College, Queen's College, South Hampstead High School, St Paul's Girls' School and Wycombe Abbey. The girls achieved a range of academic, music and other scholarships, full details of which are included on our website.

COVID-19

During the year the key priority has been to continue providing a safe and secure learning environment while complying with all the various challenges and uncertainties arising out of COVID-19. During the lockdown period, this required the school to follow government guidelines and move initially to remote teaching and, thereafter, a hybrid model depending on whether year groups could return onsite while implementing strict class and year bubble protocols and the need to follow government self-isolation guidelines.

Key measures taken have included:

- Fee reduction for all pupils during 2019/20
- Hardship bursaries provided for pupils whose parents' income was adversely affected by the pandemic
- No fee increases for the academic year 2020/21
- Updating and implementation of health and safety policies
- Investment in remote learning including software, computers and IT
- Investment in online teaching tools to effectively provide virtual classrooms

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

- Investment in necessary PPE for staff
- Site amendments to enhance handwashing facilities and make areas COVID-19 safe
- Providing necessary resources to manage the various challenges

The financial effect of COVID-19 continues to affect the school's operations. Increased cleaning resources have been required for the 2020/21 academic year – both staffing and equipment. Our PPE needs have increased over time. We also have increased cases of self-isolation both for pupils and staff which has necessitated additional teaching and other staffing resource to support. Our families are also undergoing further financial hardship and we are likely to have further applications for hardship bursaries over time.

Fundraising

The school received donations of £19,223 in the financial year. This included funds received from the Friends Of St Christopher's (FOSC) of £444. FOSC also independently funded other activities in support of the school including the development of house emblems, bookswap and the organisation of a community event – a football festival. The total costs incurred by FOSC for these supportive events was £2,126.

Included in the donation number was a donation from a family to support our online learning provision during lockdown of £5,000 and we had donations from leavers families totalling £11,155. Many families supported the school by donating back their 10% fee reduction in the summer term.

Buildings

This year key changes for the site included additional handwashing provision and changes to enhance the safety of the site in the context of COVID-19 including changes to soft seating and installation of additional glass screens at key points in the school.

Objectives for the Year

A key objective for the academic year was to enhance our parent online communications. This has included, through a change in website provision, which would also allow us, in particular given COVID-19, to engage more readily with new parents. A modernisation of the branding was also undertaken by our Strategy Director.

Future Developments & Plans

Key areas for development within the school include the enhancement of the Reception provision and the school are seeking planning permission to support this.

The school has also focused on our partnership projects with local charities and other local primary schools.

Staff

Mrs Christine Lough served as head for the financial year and Ms Sandrine Paillasse has been appointed as Head with effect from 31 August 2020.

Fixed Assets

The movements in fixed assets are shown in note 11 to the financial statements. In the opinion of the Governors the market value of the School's freehold land and buildings is considerably in excess of book value. All the fixed assets owned are held for the purposes of the School.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED

REPORT OF THE BOARD OF GOVERNORS

Risk Management

In the light of Corporate Governance guidance contained within the SORP, the Governors have established systems to review the major strategic, business and operational risks to which the School is exposed. Systems are established to mitigate those risks and procedures have been implemented to minimise any potential impact on the School should any of those risks materialise. In light of COVID-19, the principal risks and uncertainties facing the School have been updated.

Detailed consideration of risk is delegated to the Strategy Committee, which reports formally to the Governing Body on risk. The risk management process and the resulting report identifies risks, assesses their impact and likelihood and, where necessary, recommends controls to mitigate and monitor those risks that are assessed as high. Currently because of COVID-19, the associated health and safety risks are being monitored very regularly. The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- strategic development planning, reviewed annually by the Finance Committee;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The Governors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Board maintains a risk register which is updated and reviewed annually and monitored by the subcommittees and Senior Leadership Team. The key risks for the school include:

- Covid-19 threatens the financial stability of the school as parents may have reduced financial capacity to pay school fees, it also places pressure on the school to adapt quickly to new health and safety requirements and guidance and could result in the potential loss of staff through illness or death
- Loss of its strong reputation
- Economic downturn means there could be fewer parents able to afford independent schools which would mean reduced revenue
- A safeguarding incident – a key risk for any school with children in its care
- A poor ISI education quality inspection report could threaten the strong academic reputation of the school
- Loss of key school leaders
- The potential loss of charitable status including the potential loss of charitable business rate relief

For each risk, mitigating controls are identified and monitored.

Fundraising Activity

The school does not engage in large scale fundraising activities like mass mailings, telephone fundraising or door-to-door campaigns. The school does not employ a separate fundraising team or third-party organisation to help raise funds. Any small level fundraising activities focus on the current parents and other individuals or organisations connected with the school rather than the wider community. During the financial year, the School did not receive any fundraising complaints requiring action by the Fundraising Regulator.

Disability Statement

The School seeks to achieve the objectives set down in the Disability Discrimination Act 1995 and Equality Act 2010, and in particular makes the following commitments:

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
REPORT OF THE BOARD OF GOVERNORS

- a) a rolling programme of audit of facilities and provision of access will continue to be a priority. The School takes professional advice on the improvement of access and facilities on all major construction work and refurbishment to existing buildings;
- b) the School has a learning enrichment department which includes specialist teachers to support pupils with learning difficulties and / or disabilities and continues to monitor and introduce support as required;
- c) counselling and welfare services are available to pupils and staff; and
- d) specialist equipment is available, or will be made available, as required where its use is identified as beneficial by the learning enrichment team.

Employment of Disabled Persons

The School considers all applications for employment from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the School continues. The School's policy is to provide training, career development and opportunities for promotion that are, as far as possible, identical to those for other employees.

Covid-19 pandemic (post balance sheet event)

The Governors are aware of the economic impact of the Covid-19 pandemic on the UK and world economies as well as that on St Christopher's School. The lockdown measures implemented by the UK Government will have a significant impact on the income of the School for at least one term and possibly for longer. In the light of the reduced fees offered to parents and the decision not to increase fees for 2020/21, the School has undertaken a detailed review of its costs and has taken advantage, where possible, of the Coronavirus Job Retention Scheme in order to avoid any immediate need for job cuts. All possible areas for costs savings have been identified and cost reduction actions have been implemented.

The Governors have undertaken a thorough financial risk analysis and have fully revised their financial forecasts and budgets to ensure that the effects of the pandemic will not (in their view) undermine the long-term economic stability of St Christopher's School. Therefore, these financial statements have been prepared on the going concern basis.

Auditors

The auditors, Crowe U.K. LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

The Governors' Annual Report, prepared under the Charities Act 2011 and Companies Act 2006, was approved by the Governing Body of St Christopher's School (Hampstead) Limited on 24th March 2021, including in their capacity as company directors approving the Strategic Report therein, and is signed as authorised on its behalf by:



N Green

Chair

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED**

Opinion

We have audited the financial statements of St Christopher's School (Hampstead) Limited for the year ended 31 August 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charitable company's affairs as at 31 August 2020 and of the company's 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED**

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 our audit

- the information given in the trustees' 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 strategic report or the directors' report included within the trustees' 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:

- the charitable company has not kept adequate accounting records; or
- the charitable company 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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

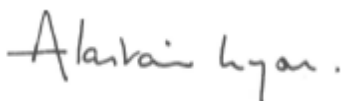
**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED**

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.

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.



Alastair Lyon

Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrove Street
Reading
RG1 1PL

Date: 30 March 2021

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020
(incorporating an Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Total Funds 2020	2019 <i>As restated</i>
	Note	£	£	£	£
INCOME FROM:					
Charitable Activities					
Fees receivable	3	3,647,177	-	3,647,177	3,501,527
Other charitable income	4	31,558	10,200	41,758	105,430
Donations and legacies					
Donations		8,069	11,154	19,223	10,033
Government Grants					
Coronavirus Job Retention Scheme		49,848	-	49,848	-
Investments					
Investment income	5	12,466	-	12,466	12,819
Other income					
Other income	6	103,929	-	103,929	3,528
Total Income		<u>3,853,047</u>	<u>21,354</u>	<u>3,874,401</u>	<u>3,633,337</u>
EXPENDITURE ON:					
Charitable Activities:					
School operating costs	7	3,509,478	21,354	3,530,832	3,466,735
Loss on disposal of fixed assets		-	-	-	4,489
Total Expenditure	7	<u>3,509,478</u>	<u>21,354</u>	<u>3,530,832</u>	<u>3,471,224</u>
Net movement in funds		343,569	-	343,569	162,113
Balances brought forward at 1 September 2019		<u>6,259,873</u>	-	<u>6,259,873</u>	6,097,760
Balances carried forward at 31 August 2020	17	<u>6,603,442</u>	-	<u>6,603,442</u>	<u>6,259,873</u>

The notes on pages 17 to 31 form part of these Financial Statements.

The 2019 Statement of Financial Activities ("SOFA") has been restated – please see note 2 for further detail.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
REGISTERED NUMBER 01088993
BALANCE SHEET AT 31 AUGUST 2020

		2020			2019
	Note	£	£	£	As restated £
FIXED ASSETS					
Tangible fixed assets	11		4,894,694		5,015,946
CURRENT ASSETS					
Stocks		-		5,000	
Debtors	12	99,823		97,726	
Cash at bank and in hand		<u>2,669,083</u>		<u>2,203,639</u>	
		2,768,906		2,306,365	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	<u>(983,697)</u>		<u>(993,148)</u>	
NET CURRENT ASSETS			<u>1,785,209</u>		<u>1,313,217</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,679,903		6,329,163
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14		<u>(76,461)</u>		<u>(69,290)</u>
NET ASSETS			<u>6,603,442</u>		<u>6,259,873</u>
RESERVES					
Restricted funds	17		-		-
Unrestricted funds	17		<u>6,603,442</u>		<u>6,259,873</u>
TOTAL FUNDS			<u>6,603,442</u>		<u>6,259,873</u>

These financial statements were approved and authorised for issue by the Board of Governors and were signed on their behalf on 24 March 2021.



N Green
Chair

The notes on pages 17 to 31 form part of the Financial Statements.
The 2019 Balance sheet has been restated – please see note 10 and note 25 for further detail.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019
	Note	£		<i>As restated</i> £
Net cash inflow from:				
Operating activities	18	488,633		496,370
Cash flows from investing activities				
Payments to acquire fixed assets	11	(35,655)	(53,110)	
Interest received	5	<u>12,466</u>	<u>(23,189)</u>	<u>12,819</u>
				<u>(40,291)</u>
Increase/(decrease) in cash in the year		465,444		456,079
Cash balance at 1 September 2019		<u>2,203,639</u>		<u>1,747,560</u>
Cash balance at 31 August 2020		<u>2,669,083</u>		<u>2,203,639</u>

This cash flow statement also comprises the full extent of the analysis of movements in net debt.

The notes on pages 17 to 31 form part of the Financial Statements.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES

a) Charity information

St Christopher's School (Hampstead) Limited is a registered charity with the Charities Commission England and Wales (charity number 312999) and was incorporated as a company limited by guarantee (company number 01088993) on 29th December 1972. The address of its registered office is 66 Prescott Street, London E1 8NN.

b) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

St Christopher's School (Hampstead) Limited meets the definition of a public benefit entity under FRS 102.

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.

c) Going concern

At the time of approval, the Covid-19 virus continues to develop and has been designated a global pandemic by the World Health Organisation. Both short term and long-term effects of the rapidly escalating situation are unknown but, as for many schools at this time, the Governors consider that there is potential for a significant and enduring impact on the School's fees and staffing availability.

The Governors have undertaken detailed planning and forecasting and continue to closely monitor the developing situation. Please refer to page 7 within our Governor's Report where we have reflected on the current situation and have outlined the impact for the School. Despite the current circumstances the Governors believe that the School's financial resources and contingency planning is sufficient to ensure the ability of the School to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

d) Fees and similar earned income

Fees receivable represent amounts receivable as fees and charges for services in respect of the provision of education to pupils in the school. Fees receivable are stated after deducting allowances, scholarships, and other remissions granted by the School.

e) Donations income

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

f) Investment income

Investment income from bank balances is accounted for on an accruals basis.

g) Other income

This comprises income from rents and lettings in the normal course of business.

h) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Charitable activities include the salary cost and office costs relating to the running of the School. This also includes governance costs which are the costs of complying with the constitutional and statutory requirements of the School.

i) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided using either the straight-line basis or reducing balance basis at rates which reflect the anticipated useful lives of the assets and their estimated residual values.

Freehold land	Not depreciated
Freehold buildings	2% straight line
Fixtures, fittings and equipment	25% reducing balance

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the Statement of Financial Activities. Items costing less than £500 are written off as an expense as acquired.

j) Stock

Stocks are valued at the lower of cost and net realisable value.

k) Cash and liquid resources

Short-term deposits, which can be called on demand without any material penalty, are included within cash balances in the Balance Sheet.

l) Pension costs

The School contributes to the Teachers' Defined Benefits Pension 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 company has a residual ongoing liability to a defined benefit pension scheme in respect of a former employee. The company participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK.

The school participates in a defined contribution scheme for non-teaching staff.

For further information on all pensions see Note 22.

m) Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

n) Recognition of liabilities

Liabilities are recognised once there is a legal or constructive obligation that commits the School to the obligation.

o) Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the charity's accounting policies, the governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Depreciation

The key area of judgment for the governors to consider is that of depreciation and its adequacy. The main asset is the property, and the governors feel that the low depreciation policy is reasonable, considering the fact that the building is well maintained and its residual value is likely to exceed the net book value at the end of its useful economic life. Other assets are depreciated at 25% reducing balance, which is considered adequate for fixtures, fittings and equipment.

p) Restricted funds

Restricted funds comprise income funds subject to specific trusts arising either from the donor's wishes or the terms of a particular fundraising initiative.

q) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. A specific provision is made for debts for which recoverability is in doubt.

r) Pupil Deposits

Although under normal circumstances these will be repaid in future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the Balance Sheet date and, in line with the requirements in FRS 102, the balance of deposits held has been included within current liabilities.

2 RESTATEMENT OF STATEMENT OF FINANCIAL ACTIVITIES ("SOFA")

The SOFA for 2019 has been restated to reflect an updated format more in line with industry norms. The changes have resulted in reclassification of income and costs between categories.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

3	FEES RECEIVABLE CONSIST OF:	2020	2019 Restated
		£	£
	Gross fees	3,713,716	3,593,647
	Less: Bursaries and allowances	<u>(87,893)</u>	<u>(145,124)</u>
		3,625,823	3,448,523
	Add back: Bursaries paid for by restricted funds	<u>21,354</u>	<u>53,004</u>
		<u>3,647,177</u>	<u>3,501,527</u>
4	OTHER CHARITABLE INCOME	2020	2019 Restated
		£	£
	Other educational charitable activities		
	Extras Income	7,158	69,497
	Hardship levy (restricted)	10,200	10,250
	Registration fees	<u>18,645</u>	<u>20,700</u>
		<u>36,003</u>	<u>100,447</u>
	Other activities		
	Other income	<u>5,755</u>	<u>4,983</u>
		<u>41,758</u>	<u>105,430</u>
5	INVESTMENT INCOME	2020	2019 Restated
		£	£
	Interest receivable	<u>12,466</u>	<u>12,819</u>
6	OTHER INCOME	2020	2019 Restated
		£	£
	Other income	<u>103,929</u>	<u>3,528</u>

This year's income includes proceeds from a business interruption policy (£77,437), a flood claim (£14,831) and income from a fee insurance policy claim associated with pupil's fees which on receipt was payable to the relevant parent (£10,908).

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

7 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £ (Note 9)	Other £	Depreciation £ (Note 11)	2020 Total £	2019 Restated £
Charitable activities					
Teaching costs	1,956,722	194,766	59,540	2,211,028	2,183,631
Welfare costs	103,371	212,439	-	315,810	335,131
Premises	-	256,644	97,367	354,011	324,814
Support costs	411,814	238,169	-	649,983	623,159
Total	<u>2,471,907</u>	<u>902,018</u>	<u>156,907</u>	<u>3,530,832</u>	<u>3,466,735</u>

Included within the support costs are governance costs of £19,996 (2019 £17,200).

8 NET INCOMING RESOURCES

	2020 £	2019 Restated £
Expenditure includes:		
Auditors' remuneration - audit	10,150	8,400
- other	2,500	-
Depreciation	<u>156,907</u>	<u>170,721</u>

9 TOTAL STAFF COSTS

	2020 £	2019 Restated £
Wages and salaries	1,917,204	1,888,898
Social security costs	204,787	208,442
Other pension costs	<u>349,916</u>	<u>268,893</u>
	<u>2,471,907</u>	<u>2,366,233</u>

	2020 Number	2019 Number
The average monthly headcount of employees during the year was:		
Teaching	39	40
Administrative	7	6
Domestic	<u>4</u>	<u>4</u>
	<u>50</u>	<u>50</u>

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

9	TOTAL STAFF COSTS (continued)	£	£
		2020 Number	2019 Number
	The following number of employees had salaries within the range as below:		
	£60,000 - £69,999	1	-
	£70,000 - £79,999	1	4
	£80,000 - £89,999	1	1
	£170,000 - £179,999	<u>1</u>	<u>-</u>

Retirement benefits are accruing for four (2019: five) higher paid employees. Contributions for the year totalled £51,262 (2019: £38,443).

For the purposes of the Companies Act the Governors are directors. No Governor received any remuneration or benefits from the school during the year (2019: £nil). Travel and seminar expenses of £934 were reimbursed during the year (2019: £nil) for one Governor (2019: none).

The total remuneration for the Senior Leadership Team was:

	2020 £	2019 £
Senior Leadership Team	<u>698,537</u>	<u>383,246</u>

In 2020 the group comprised of seven individuals, in 2019 it included four individuals. The senior leadership team are listed on page 3 within the Governors' Report. Both years' costs include additional accommodation costs associated with the Head.

10 RESTATEMENT OF BALANCE SHEET

The balance sheet for 2019 has been restated to reflect an updated format more in line with industry norms. The key change is that previously total income for the autumn term of the following year was included within the creditors balance and the debtors balance to reflect that it had been invoiced in the summer term but is not due until the following year. This gross up has been removed in the restatement. Further details of the restatement are included in Note 25.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

11 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Fixtures, Fittings & Equipment £	Total £
Cost / valuation			
At 1 September 2019	6,056,031	1,220,916	7,276,947
Additions	-	35,655	35,655
Disposals	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2020	<u>6,056,031</u>	<u>1,256,571</u>	<u>7,312,602</u>
Depreciation			
At 1 September 2019	1,264,540	996,461	2,261,001
Charge for year	<u>97,367</u>	<u>59,540</u>	<u>156,907</u>
At 31 August 2020	<u>1,361,907</u>	<u>1,056,001</u>	<u>2,417,908</u>
Net book value			
At 31 August 2020	4,694,124	200,570	4,894,694
At 31 August 2019	4,791,491	224,455	5,015,946

The net book value of land and buildings consists almost entirely of freehold buildings. In the opinion of the Governors the cost of freehold land included within the above figure is not material. All tangible fixed assets are held for use by the School on direct charitable activities.

12 DEBTORS

	2020 £	<i>As restated</i> 2019 £
Trade debtors	1,600	10,797
Prepayments and accrued income	<u>98,223</u>	<u>86,929</u>
	<u>99,823</u>	<u>97,726</u>

Trade debtors are stated after impairment provisions totalling £Nil (2019: £7,956).

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	As restated 2019
	£	£
Trade creditors	72,795	92,481
Other tax and social security	56,686	60,718
Accruals	36,604	55,688
Deposits	615,615	576,104
Fees in advance	<u>201,997</u>	<u>208,157</u>
	<u>983,697</u>	<u>993,148</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2020	As restated 2019
	£	£
Fees in advance	55,678	69,290
Pension deficit creditor	<u>20,783</u>	-
	<u>76,461</u>	<u>69,290</u>

15 DEFERED INCOME (FEES IN ADVANCE)

	2020	As restated 2019
	£	£
Deferred income at 1 September 2019	277,447	209,519
Resources deferred in the year	176,447	208,157
Amounts released from previous years	<u>(196,648)</u>	<u>(140,227)</u>
Deferred income at 31 August 2020	<u>257,675</u>	<u>277,447</u>

16 FINANCIAL INSTRUMENTS

	2020	As restated 2019
	£	£
Financial assets measured at amortised cost	2,768,906	2,301,365
Financial liabilities measured at amortised cost	802,483	792,991

Included within financial assets held at amortised cost are trade debtors, other debtors and cash at bank. Included within financial liabilities held at amortised cost are trade creditors, accruals, acceptance deposits and other creditors.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

17A ANALYSIS OF NET ASSETS BETWEEN FUNDS

The School's net assets belong to the various funds as follows:

	Fixed Assets	Net Current Assets	Long Term Liabilities	Fund Balances
	£	£	£	£
Restricted Funds	-	-	-	-
Unrestricted Funds	<u>4,894,694</u>	<u>1,785,209</u>	<u>(76,461)</u>	<u>6,603,443</u>
Total	<u>4,894,694</u>	<u>1,785,209</u>	<u>(76,461)</u>	<u>6,603,443</u>

17B FUNDS

	Unrestricted Funds £	Restricted Funds £
Income	3,853,047	21,354
Expenditure	<u>(3,509,478)</u>	<u>(21,354)</u>
Surplus / movement in funds for the year	343,569	-
Opening value of funds	<u>6,259,873</u>	<u>-</u>
Closing value of funds	<u><u>6,603,442</u></u>	<u><u>-</u></u>

Restricted funds relate to hardship / bursary fees charged to families and donations received from parents to support bursary pupils at the school. In 2020 we also received a donation to spend to support remote learning resources. All resources donated were spent within the academic year.

18 RECONCILIATION OF NET INCOME TO NET CASH FLOW

	2020 £	2019 £
Net incoming resources	343,569	162,113
Investment income	(12,466)	(12,819)
Depreciation charges	156,907	170,721
Profit on disposal / revaluation of fixed assets	-	4,489
Decrease in stocks	5,000	-
Increase in debtors	(2,097)	(107,642)
(Decrease) / increase in creditors	(2,280)	279,508
	<hr/>	<hr/>
Net cash inflow from operating activities	<u>488,633</u>	<u>496,370</u>

The movement in debtors and creditors in 2019 reflects the previous method of accounting for fee income which has been restated in 2020 – please see notes 10 and 25 for further detail.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

19 FINANCIAL COMMITMENTS

The future minimum lease payment of the charitable company under non-cancellable operating leases, in respect of other equipment, is as follows:

	2020	<i>2019</i>
	£	<i>£</i>
Payable within 1 year	1,751	<i>1,751</i>
Payable between 1 and 5 years	<u>437</u>	<i><u>2,188</u></i>
	<u>2,188</u>	<i><u>3,939</u></i>

20 GOVERNORS' LIABILITY

In the event of the School being wound up, the liability of each Governor is limited to one pound.

21 RELATED PARTIES

Donations totalling £444 (*2019: £3,165*) were received from Friends of St Christopher's School (Hampstead) Limited. This is a parents' association which assists in providing facilities for education not normally covered by the school's funds. FOSC also independently funded other activities in support of the school including the development of house emblems, bookswap and the organisation of a community event – a football festival. The total costs incurred by FOSC for these supportive events was £2,126.

The school spent £12,553 (*2019: £39,683*) with Farrer & Co on a range of school legal advice – Rachel Lewis, a school governor, is a partner at this law firm.

The school spent £3,039 (*2019: £1,904*) with the Girls' School Association for annual membership and training courses – Vivienne Durham, a school governor, was Chief Executive of the GSA in this period.

22 PENSION SCHEMES

(i) 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 £247,236 (*2019: £196,041*) and at the year-end £Nil (*2019 - £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. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

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. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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 the consultation and the cost cap mechanism review are completed 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.

(ii) Independent Schools' Pension Scheme

The company has a residual ongoing liability to a defined benefit pension scheme in respect of a former employee. The company participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 August 2030	£2,387,357 per annum (payable monthly, increasing by 3% on each 1 st September)
---	---

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision:

	2020 £	2019 £
Present value of provision	<u>22,960</u>	<u>24,591</u>

Reconciliation of opening and closing provisions:

	2020 £	2019 £
Provision at start of period	24,591	14,303
Unwinding of the discount factor	258	268
Deficit contribution paid	(2,113)	(1,246)
Remeasurements – impact of any change in assumptions	224	1,105
Remeasurements – amendments to the contribution schedule	-	<u>10,161</u>
Provision at the end of the period	<u>22,960</u>	<u>24,591</u>

(iii) Defined Contributions Schemes

The school participated in other defined contribution schemes for non teaching staff:

	2020 £	2019 £
Contributions payable by the company for the year	<u>79,719</u>	<u>72,851</u>

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

23 STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds As restated 2019 £
INCOME FROM:				
Charitable Activities				
Fees receivable	3	3,501,527	-	3,501,527
Other charitable income	4	95,180	10,250	105,430
Voluntary sources				
Donations		3,165	6,868	10,033
Investments				
Investment income	5	12,819	-	12,819
Other income				
Other income	6	3,528	-	3,528
Total Income		<u>3,616,219</u>	<u>17,118</u>	<u>3,633,337</u>
EXPENDITURE ON:				
Charitable Activities:				
School operating costs	7	3,413,731	53,004	3,466,735
Loss on disposal of fixed assets		4,489		4,489
Total Expenditure		<u>3,418,220</u>	<u>53,004</u>	<u>3,471,224</u>
Net incoming funds from operations / Net movement in funds				
		197,999	(35,886)	162,113
Balances brought forward at 1 September 2018				
		<u>6,061,874</u>	<u>35,866</u>	<u>6,097,760</u>
Balances carried forward at 31 August 2019				
	17	<u>6,259,873</u>	<u>-</u>	<u>6,259,873</u>

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

24A NET ASSETS OF THE FUNDS OF THE SCHOOL FOR THE YEAR ENDED 31 AUGUST 2019

The School's net assets belong to the various funds as follows:

	Fixed Assets	Net Current Assets	Long Term Liabilities	Fund Balances
	£	£	£	£
Restricted Funds	-	-	-	-
Unrestricted Funds	<u>5,015,946</u>	<u>1,243,927</u>	<u>-</u>	<u>6,259,873</u>
Total	<u>5,015,946</u>	<u>1,243,927</u>	<u>-</u>	<u>6,259,873</u>

24B FUNDS FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted Funds £	Restricted Funds £
Income	3,616,219	17,118
Expenditure	<u>(3,418,220)</u>	<u>(53,004)</u>
Surplus / movement in funds for the year	197,999	(35,886)
Opening value of funds	<u>6,061,874</u>	<u>35,886</u>
Closing value of funds	<u>6,259,873</u>	<u>-</u>

**ANALYSIS OF FUND BALANCES BETWEEN
NET ASSETS**

Fixed assets	5,015,946	-
Net current assets	1,243,927	-
Long term liabilities	<u>-</u>	<u>-</u>
	<u>6,259,873</u>	<u>-</u>

ST CHRISTOPHER'S SCHOOL (HAMPSTEAD) LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

25 RESTATEMENT OF BALANCE SHEET 2019 (2019 Restated)

	2019	ADJUSTMENTS	2019 Restated
FIXED ASSETS	5,015,946		5,015,946
Tangible fixed assets			
CURRENT ASSETS			
Stocks	5,000		5,000
Debtors	1,257,728	(1,160,002)	97,726
Cash at bank and in hand	<u>2,203,639</u>		<u>2,203,639</u>
	3,466,367		2,306,365
CREDITORS:			
AMOUNTS FALLING DUE		1,160,002	
WITHIN ONE YEAR	(2,222,440)	69,290	(993,148)
NET CURRENT ASSETS	<u>1,243,927</u>		<u>1,313,217</u>
TOTAL ASSETS LESS CURRENT			
LIABILITIES	6,259,873		6,329,163
CREDITORS: AMOUNTS			
FALLING DUE AFTER MORE	-	(69,290)	(69,290)
THAN ONE YEAR			
NET ASSETS	<u>6,259,873</u>		<u>6,259,873</u>
RESERVES			
Restricted funds	-		-
Unrestricted funds	<u>6,259,873</u>		<u>6,259,873</u>
TOTAL FUNDS	<u>6,259,873</u>		<u>6,259,873</u>

As can be seen from the adjustments set out above, the key change was to restate the prior year debtors and creditors, removing the amounts billed in 2018/19 for the Autumn term 2019/20 less the amounts paid on these bills prior to the 2018/19 year end.

Further, there was a reallocation of creditors due within one year to creditors due after one year to reflect fees received in advance.