

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the School, its Governors and advisers	1 - 2
Governors' report	3 - 23
Independent auditor's report on the financial statements	24 - 26
Consolidated statement of financial activities	27 - 28
Consolidated balance sheet	29
School balance sheet	30
Consolidated statement of cash flows	31
Notes to the financial statements	32 - 55

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Governors

Mr M Groome (resigned 2 July 2020)^{1,2,3,5,6,7,8}
Mrs G Bruce^{1,2,3,4,5,6,7,8}
Mrs A Boulter (appointed 26 September 2019)^{1,5,6}
Mrs A Coles^{2,4,6}
Ms L Drukarz (appointed 16 March 2020, resigned 16 June 2020)⁴
Miss C Kelly^{3,5,8}
Ms C Matthai (appointed 30 November 2020)¹
Miss I A M Monyo²
Miss E Mullenger^{1,3,5,6,8}
Ms S Palmer (appointed 9 October 2020)³
Mr R J Pearce^{1,6,7}
Mr C O T Pierce (appointed 6 April 2020)⁷
Mr W T Richards^{1,2,5,6,7,8}
Miss A C Warne^{3,5}
Dr S J M Wynn^{3,4}

- ¹ Finance Committee
- ² Governance and Legal Committee
- ³ Education and Pastoral Committee
- ⁴ Communications Committee
- ⁵ Remuneration Committee (Sub committee of the Finance Committee)
- ⁶ Strategy and Business Committee
- ⁷ Estates Committee
- ⁸ Development Committee

During the year the activities of the Governing Body were carried out through eight committees. The membership of these committees is shown above for each Governor.

During the year Mr M Groome resigned as a Governor and Chair, Mrs G Bruce was subsequently appointed Chair.

During the year Miss E Mullenger resigned as Vice Chair, Miss A Warne was subsequently appointed as Vice Chair.

Mr W T Richards also served as Vice Chair during the period.

Company registered number

00232081

Charity registered number

527513

Principal address and registered office

15 Avenue Road
Great Malvern
WR14 3BA

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE SCHOOL, ITS GOVERNORS AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Company secretary

Mrs C L Freeman

Headmistress

Mrs O Raraty

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

HSBC Bank Plc
6 Broad Street
Worcester
WR1 2EJ

Solicitors

Harrison Clark Rickerbys Solicitors LLP
5 Deansway
Worcester
WR1 2JG

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their annual report together with the audited financial statements of the School for the Year 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Governors' report and a directors' report under company law. The Governors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletins 1 and 2.

Objectives and activities

a. Policies and objectives

The School's Objects are as set out in the Memorandum of Association. In furtherance of these Objects for the public benefit the School has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects.

Intended impact

Within its Charitable Objectives, the School's intention is to provide a first-class education through inspirational teaching, excellent pastoral care and by developing broader skills that enable every pupil to realise her potential to the full. This involves emphasis on the co-curriculum through cerebral, sporting, creative, team building, leadership and social skills. This policy builds self-confidence and life skills in pupils and inculcates a desire to learn and a willingness to contribute to the wider community whilst at school and in later life.

Aims

The aims of the School are:

- To provide a high quality, innovative and forward-looking all-round education for pupils which will enable them to discover their talents, maximise their potential and develop a lifelong love of learning to gain personal fulfilment.
- To encourage pupils to be open, independent and engaged learners who seek challenge and are curious about the world around them, equipping them to play an active part in global society.
- To promote the benefits of all-girls' education to prepare girls for leadership roles and to instil a culture of achievement that sets no limits in order that girls pursue excellence, achieve success, acquire confidence and self-belief.
- To provide a caring and supportive boarding community where there is a strong sense of teamwork and collective responsibility and which promotes for the individual, good manners, empathy, fairness, tolerance, and honesty.
- To attract, train and retain high calibre teaching and non-teaching staff to support the School's educational vision for providing a first-class education for girls.
- To provide the best possible physical environment and infrastructure to maximise the learning potential for pupils.
- To promote positive relationships with parents, the wider school community and local area for the benefit of the pupils' personal development and their awareness of their place in the world.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

- To be a well subscribed School with an excellent reputation locally, nationally and internationally that is financially sustainable and provides good public benefit.

Objectives

The Objectives of the School are:

- To provide effective high-quality, innovative, and dynamic teaching, mentoring and support that enables pupils to achieve academic or other success in relation to their abilities and to develop their personal potential.
- To foster a Growth Mindset philosophy and 'can do' ethos to underpin all teaching and learning: pupils are effectively challenged in class, they take intellectual, creative and physical risks, they enjoy their learning and achieve highly.
- To provide a wide range of enrichment and extra-curricular activities to enable each girl to discover and pursue her individual interests and talents to support her personal development.
- To encourage pupils to develop independent skills, intellectual and creative curiosity, as well as spiritual, social and cultural awareness.
- To prepare girls effectively for Higher Education and future careers so that they have the skills, qualifications and aptitudes to lead successful and fulfilling lives.
- To provide a safe environment for pupils with effective safeguarding in place and an outstanding system of pastoral care so that each pupil feels supported, cared for and able to thrive.
- To provide a happy, thriving and diverse community that is home from home for full boarders and day boarders, and where each pupil is well nourished and cared for, where she can work and relax, be herself and flourish.
- To recruit, develop and retain well-qualified, experienced and caring teaching and boarding staff who will inspire pupils with enthusiasm for learning, provide intellectual, creative and physical challenge, as relevant, as well as effective pastoral care, and who have a commitment to boarding education.
- To recruit, train and develop well qualified non-teaching support staff to meet the School's needs and to provide for its ongoing success.
- To recruit and retain pupils at each entry and transition point who will thrive at MSJ, embrace the School's ethos and make the most of the many opportunities provided.
- To develop effective external relations through Public Relations, Marketing, and Alumnae Relations to build the School brand and reputation for the benefit of past, present and future pupils, and to provide effective community links.
- To develop mutually supportive partnerships with state schools, universities, industry, businesses and community groups to support the School's curriculum offer, pupil development and public benefit ambitions.
- To provide a planned programme of improvement of technology, equipment and facilities that are relevant for the needs of the pupils to enable effective teaching and learning, and good boarding provision.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

- To provide effective leadership, management structures and governance to meet the School's statutory and regulatory responsibilities, to fulfil its aims and objectives, and to ensure the School's future growth and success.
- To provide effective financial planning and management to support the School, MSJE, and the School's other business activities to ensure the School's ongoing financial sustainability.
- To provide a development and ongoing investment programme that provides for excellent facilities and equipment.
- To provide a bursary fund to increase access to the School's quality educational provision.
- To provide public benefit and community engagement which supports the School's charitable status.
- To fill the pupil roll and produce sufficient net surplus to be able to support the School's aspirations to create and sustain an enduring foundation that will ensure the School's success and growth.
- To be a fully compliant school in all areas including curriculum, safeguarding, pastoral care, boarding, privacy, and health and safety and maintain excellence in pupil achievement and personal development in inspection outcomes.

b. Strategies for achieving objectives

In 2019, the School celebrated 100 years of excellent all-pupils' education in our building. The women who started our founding schools were pioneers, way ahead of their time in recognising the contribution that women could make to society. A century on, MSJ continues to provide first class pupils' education with conviction, passion and ambition. In 2020, MSJ was crowned Independent School of the Year in the prestigious ISSP awards for its Malvern Alumnae 100 project which connected its inspiring alumnae, Old Girls, who are significant leaders in their respective fields to the current generation of pupils to inspire, mentor and illuminate. This was a tangible way of demonstrating the enormous value that women can make to society and to encourage the next generation of young women in their educational pursuits. In 2020, the School continues to be pioneering in its approach and is recognised and celebrated for this.

We are in a new technology-led era with a fast-changing career landscape and bigger, global perspectives. These technological changes have been accelerated in the past 12 months in response to the COVID-19 Pandemic which has had a profound and very likely long-lasting effect on the global economy and the way society will operate in the future. MSJ has embraced the challenges posed by the pandemic in educational terms head on and is determined to stay ahead of the curve, future proofing the pupils' learning and giving them the academic, technological and soft skills to succeed and opening up opportunities for them to excel.

In keeping with this overarching vision, we are continuing to review of the School's strategic goals for the next five-year period and a development programme is underway which supports the continuing investment in this area. Key to this are six strategic areas which support the School's objectives:

- First Class Teaching and Learning in a digital and technological age
- Outstanding Pastoral Care with focus on pupil wellbeing, physical and mental health
- A Modern Boarding Environment to develop the whole person
- Sporting Excellence encouraging team skills and leadership both on and off the field

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

- Enriching Community Partnerships
- Philanthropy and Fundraising

There has been significant investment in the School IT infrastructure, with a fibre optic broadband and accompanying Wifi network installed across the School to enable blended learning. In 2020, the decision was made for the School to primarily use Microsoft products as the backbone to the delivery of teaching and support functions, with the School being a pioneer in remote learning through Microsoft Teams. The investment in teaching continues with all staff now having a mobile device, providing greater flexibility in the delivery of teaching across the School estate. Classrooms have been fitted with digital casting screens and 2021 will see the creation of a Smart Classroom that will be rolled out across the School. All with the aim of enabling the Teaching and Learning Strategy.

MSJ Buzz was launched in 2019 to provide a holistic wellbeing programme: personal, emotional and academic. The School has invested in training pastoral staff as Mental Health First Aiders and has recently submitted its application towards the Gold Boarding School Mental Health Award from the Carnegie Centre of Excellence for Mental Health in Schools. A character programme is being developed to support every pupil's personal development.

The School continues to invest in its boarding infrastructure, with two major refurbishments planned for Benhams and Hatfield, the two middle school boarding houses, to be rolled out from February 2021, starting with Benhams. Physical security has been invested in, with enhancement to CCTV coverage, access control systems installed and updated security lighting.

The School continues to make significant investment in sports provision. A £500k refurbishment of the Astroturf was completed in Autumn 2019. Following the reorganisation of the Sports Department and the appointment of the Director of Sports in January 2019, further Sports coaches have been appointed to strengthen individual and team playing in hockey, lacrosse, netball and cricket.

As part of the strategy for enriching community partnerships, community service is being embedded within the curriculum. Significant progress has been made in the past 12 months to develop state and independent school partnerships at both primary and secondary level in the local community for the benefit of all pupils, despite the inevitable challenges faced by three national lockdowns. There has been a continuing focus on harnessing the power of alumnae, businesses, parent and past-parent networks to support future careers and opportunities for Malvern's young people. Further plans are being developed and will be rolled out when the immediate pressure on schools posed by the pandemic has subsided.

Finally, philanthropy and fundraising has been given greater focus through the appointment of a Development Director in July 2019 and the creation of a Development Office in 2020. The School is committed to fundraising for an endowment fund for the Founders' Award Scholarship to increase access for exceptional pupils who could otherwise not be at MSJ without financial assistance. A consultation process was launched in Autumn 2019 on the School's 2025 Development Plan flagship projects, and presentations to parents and the MSJ Community took place in the Spring of 2020 as part of a planned feasibility study. This proved to a very positive and successful exercise and, together with prudent financial management during the pandemic, has given the School confidence to embark on its future development projects.

c. Main activities undertaken to further the School's purposes for the public benefit

The Governing Body confirms they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

During the COVID-19 Pandemic, the School reached out to the community to try to make life easier for key workers and to help with the national effort. Given the requirement for Schools to close during the Summer Term, MSJ offered one of its boarding houses to NHS staff who needed/wanted to stay away from their family home. A pupil made PPE for the NHS locally and in North Wales. MSJ opened its doors to children of key workers, including those from other schools, to join its own key-worker pupil bubbles.

The School is committed to providing means-tested bursaries. Such awards are made to either enable pupils who would otherwise not be able to afford full fees to benefit from an independent education, or to enable pupils to remain where financial circumstances have changed. Bursaries range from 5% to 50% and during 19/20 124 pupils benefited (18/19: 111 pupils). Without such assistance, these pupils would not have been able to attend Malvern St James. The School is seeking to increase financial resources to fund bursaries through fundraising.

The School fosters strong relationships with local maintained schools and their pupils benefit in a variety of ways. Local primary schools regularly attend events at the School that are designed to give students the benefit of expertise and facilities that they may not otherwise be able to access. There are various events held during the year which maintained schools are invited to participate in. During the 2019/20 academic year these included but were not limited to: local Schools' Art Exhibition, Author Visits, a Careers Fair, lectures and workshops, hockey tournament and opportunity to meet England captain and hockey gold medallist, Kate Richardson Walsh and be coached by two Old Girls who are England pathway players. The AstroTurf launch in November 2019 was shared with many members of the wider community with local primary schools invited in for games, coaching and lunch with an awards ceremony. The AstroTurf is a shared facility and is available to rent by local sports groups. During the pandemic when mixing on the School site was not permitted, lectures and talks from speakers have all been live streamed or recorded for the benefit of pupils at local maintained Sixth Forms.

The School also hosted events to support pupils choosing University places, this included: A Sixth Form Geography Conference and The London Universities Presentation which were both attended by students from local maintained Schools. These events are uploaded onto the ISC Schools Together Portal, www.schoolstogether.co.uk on a regular basis. More would have been provided through the end of the Spring Term and the Summer Term, had we not gone into lockdown (for example, our regular Junior Olympics tournament). However, every effort has been made to share opportunities and resources where possible. For example, talks by visiting professors from the University of Bristol were shared electronically in the autumn with a number of local state schools as were online talks delivered by the School's alumnae to the wider community.

The Chaplain maintains informal links with the Chaplains of Dyson Perrins C of E Academy and Malvern College for the purposes of sharing ideas and resources. There is also an annual meeting of the School Chaplains in the Diocese of Worcester, convened by the Bishop of Dudley, for mutual support, reflection and for the sharing of good practice. The Chaplain also attends meetings of the Deanery Synod and the Deanery Clergy Chapter to maintain links with the wider community. Due to lockdown restrictions, many activities were postponed or held virtually but the Chaplain continues to develop strong links within the community.

Members of the School's teaching staff also serve as governors to local maintained schools thus sharing insights and educational expertise. This includes the Director of Teaching and Learning and the Head of History.

Local groups and charities making use of the facilities at the MSJ Sports Centre throughout the year are listed below, please note that most of this activity was paused from March 2020 for a number of months due to national lockdown restrictions due to the pandemic:

- Maintained schools who do not have the facilities to provide certain sports (for example badminton.)
- The local running group.
- The NCT who hold an annual sale use MSJ Sports facilities.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

- A large community Fireworks event is held in November, and all donations are made to Malvern Special Families.
- Junior Gym and Rugby Tots use MSJ for their weekly sessions.
- Charity netball tournament held at the sports centre annually.
- GoTri events – introducing children to triathlon training.

Raising Funds and Awareness – In the first half of 2019-2020 charity events included: a non-uniform day for Breast Cancer UK, Bonfire Night, raising funds for Malvern Special Families, the British Legion Poppy Collection, games and activities in School for Children in Need, the Rotary Shoe Box Christmas Gift Scheme, Prep's Superhero Challenge for Mind UK, and Sport Relief. Unfortunately, the lockdown precluded any additional fundraising events but over £7,500 was raised in total for charity during this time.

Whole School Activities have included the moving Remembrance Service on the Quad and taking part in a number of 'Super Hero Challenges', an initiative led by MSJ Prep and Pre -Prep departments. The School was also able to facilitate the annual Year 12 team effort, raising funds to support a Christmas Party for several families affiliated to local charity, Malvern Special Families. Through such activities the School has heightened the individual interest and involvement of the pupils in event planning and fundraising.

Students at MSJ normally visit its sister School in The Gambia biennially to teach, paint, care for and learn from the school and its community. In 2020 this trip was cancelled due to the ongoing pandemic but money was sent to pay for essential water supplies, along with a bore hole and saplings. The School hopes to re-visit The Gambia as soon as possible once restrictions allow.

Moreover, the School has made much of the individual fund-raisers within the School community, adding to the fund that has been raised independently. These have included charities: Open Doors, Breast Cancer Research and Cry.

Strategic report

Achievements and performance

a. Review of activities

Summer 2020 was clearly a very different year with regards to COVID-19 and the implications for external examinations, which were cancelled and replaced with Centre Assessed Grades (CAGs). An extremely robust internal system was adopted to ensure fair and evidence-based grades were submitted by the School to the awarding bodies.

2020 saw excellent GCSE results for the cohort across the full spectrum of subjects. 57% of entries scored a 9-8 or A* grades (up from 38% last year); and 76% of entries scored 9-7/A*-A grades (up from 55% last year). 35% of pupils in the year group scored four or more grade 9s; 65% of pupils scored five or more grades 9-8/A*; and 78% scored four or more grades 9-7/A*-A. Five pupils gained a clean sweep of grades 9-8/A*.

Individual successes include: one pupil who achieved nine grade 9s, and one grade 8; another who achieved 10 grade nines and one grade 8. Core subjects of Maths, English and Science showed strong results. In Maths, 62% of the cohort achieved grades 9-7; in English Language and Literature achieved 70% and 92% achieved 9-7 respectively; and an average of 79% of pupils achieved 9-7 in separate Sciences. Over one third of the cohort took Further Mathematics, with 64% of these achieving a grade 9-8.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Modern Foreign Languages also returned exceptional results, with French entries achieving 85% grades 9-7, German 100% grades 9-7 and Spanish 75% grades 9-7. In classical languages, Latin achieved 75% grades 9-7.

In Humanities, Geography, History and Religious Studies achieved 91%, 75% and 85% grades 9-7 respectively whilst in the creative subjects, Music scored well, with almost three quarters (71%) of pupils achieving grades 9-8 whilst 75% of pupils achieved grades 9-7 in Drama. In Product Design 100% achieving grades 9-7 and in Art, 92% achieving grades 9-8. In Economics 76% of pupils achieved grades 9-7 whilst in Business 88% of pupils scored the same grades.

At GCE A Level 67% of grades were at A* and A (up from 44% the previous year) and 42% achieved a clean sweep of A* and A grades, with three pupils achieving 4 A*s with one of these pupils also achieving an A* in her Extended Project Qualification (EPQ). 100% of students achieved A* or A in their EPQ.

Individual successes include one Year 13 pupil who achieved A* grades in all her subjects of Chemistry, Physics, Maths and Further Maths in addition to an A* in her EPQ. She is now at Durham University reading Computer Science having won a major Scholarship in her first year at the university. Her twin sister also got straight A*s in her three A Levels of English Literature, History and Religious Studies and she is now at Cambridge University reading English. Another pupil got 4 A*s in Physics, Economics, Maths and Further Maths, as well as studying and passing Leiths. She is now at Bristol University reading Computer Science.

It was a very successful year with regards to UCAS and over 70% of Year 13 pupils gained places with their first choice of university. As with previous years there was a strong performance in STEM subjects, with a significant proportion of pupils going on to study STEM related courses at university, including one pupil gaining a place for Veterinary Medicine at Cambridge University, another for Engineering at Oxford and another being awarded a Technology scholarship at Durham. Across the board, students are studying courses as wide-ranging as Archaeology and Anthropology at University College London, Film and Television at Bristol, International Business at Edinburgh, and Management at Manchester.

University destinations include:

- Anthropology - Durham University
- Archaeology and Anthropology - UCL (University College London)
- Art college - Central St Martin's London
- Biochemistry - Manchester
- Biological Sciences - Durham University
- Business and Management - Oxford Brookes University and University of Westminster
- Classical Civilisation/Studies - University of Warwick/University of Bristol
- Computer Science - Durham University and Bristol University
- Costume for Theatre and Screen - University of the Arts London
- Economics - UCL (University College London), Bath, Exeter
- Engineering - University of Oxford
- English - University of Cambridge
- Film and Television - University of Bristol
- Filmmaking - Bristol, University of the West of England
- Flexible Combined Honours - University of Exeter
- History and Philosophy - University of Kent and University of Exeter
- Industrial Design and Technology - Loughborough University
- International Business - The University of Edinburgh
- Language and Culture (4 years) - UCL (University College London)
- Law - University of Exeter, Bristol, and Nottingham Trent University

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

- Management - University of Manchester, Oxford Brookes, University of Southampton
- Mathematics - UCL (University College London)
- Nutrition - Oxford Brookes University
- Philosophy and Politics - University of Exeter
- Physiotherapy with Integrated Master's - Keele University
- Politics and Sociology - Lancaster University
- Product Design - Bournemouth University
- Psychology - University of Portsmouth, UWE, UCL
- Statistics - UCL (University College London)
- Veterinary Medicine - University of Cambridge

Academic Competitions

In English, Year 9 pupils had great success in the Malvern Civic Society competition with one as the overall winner and two others as runners up. They also entered the Chaucer Society writing competitions, but due to special COVID-19 arrangements, results of these are still awaited. Years 7-9 also entered the Malvern Hills Council competition, with one MSJ pupil being awarded first prize and another second prize.

Geography competitions, lectures and Geographical Association opportunities were promoted to pupils and two A Level pupils wrote their Bristol fieldwork trip for GA website, which was published.

In Modern Foreign Languages, one Year 12 pupil entered the Stephen Spender Prize 2020, organised by the Guardian. the results of the competition have not yet been released.

Prep National Handwriting Competition – three pupils entered this competition and got through to the next round, but unfortunately due to COVID-19 this was then postponed. The Prep pupils have adapted successfully to online learning and are all now uploading their work to class notebook at the end of lessons.

Maths and Science

As with previous years, there has been strong performance in Science, Technology and Mathematics subjects both at examination level and beyond. A key contributor to this continues to be the wider opportunities available to pupils to encourage enjoyment and achievement in STEM at high levels.

Maths Olympiad Competitions. There were 148 entries to Maths Challenge competitions in 2019-2020, including participating in the newly created online version in the summer term during lockdown. Six students in the Senior (Year 11 -13) and eleven in the Intermediate (Y9-11) category qualified for the follow-on rounds, placing them in the top 7% of the competition. Of this, six students achieved a merit in their follow-on round, which was awarded to only the top quarter of participants.

Biology Olympiad Competition in the Sixth Form, one pupil achieved a Bronze Medal, one was highly commended and two commended. In the Biology Challenge which the Year 10 entered, there was one Gold, two Silver, one Bronze, one highly commended and two commended.

Chemistry

Two Year 12 pupils won the Bristol University Air Quality Research Competition and received a cash prize of £100 and a visit from the University to give a Lecture/Demonstration on Climate change. This was delivered in September 2020 and Bristol University commented that the winning entry was of a standard comparable to a second year undergraduate.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

During the National Science and Engineering Week in March 2020, the Chemistry Department hosted sessions for visiting Year 5 and pupils from local primary schools. They looked at making and testing hydrogen and oxygen and learned about our atmosphere. These sessions were very well received.

In March 2020 Birmingham University visited to deliver their Spectroscopy in a Suitcase workshop to groups of Year 12 and 13 students. These were especially well received as many extracurricular activities had had to be cancelled because of the COVID-19 situation. In the summer, all Year 12 students participated in the Cambridge Chemistry Challenge. This was completed in lesson time to facilitate participation. Two pupils achieved silver award and one a Gold award, which is very exceptional.

Computing

The School's Computer Science Department had another busy and successful year with pupils gaining a wider range of experience in national competitions to extend their learning beyond the classroom:

Bebras - All the girls in KS3, and volunteers from KS4 and KS5, practised for, and then sat, the UK Bebras Challenge, organised by Hertford College, University of Oxford. This required the girls to use their computational thinking skills to solve a series of online problems against the clock.

CyberFirst – this was an intensive 10 day-long activity with groups of Year 8 girls using online tools and research to solve a series of increasingly difficult problems related to Cyber Security. One team succeeded to the regional round.

Cyber Discovery - is an initiative run by HM Government to seek and attract talent for potential Cyber Security specialists in the future. It consists of 4 rounds, each running for several weeks and selected participants are invited to the next round. Participants from previous years are invited to continue from where they left off. This was the second year of the initiative. One pupil was invited to the October Elite round 4, in the top 500 out of over 28,000 students who took part in 2017-18. Other girls made it to round 3.

Expressive Arts

Extra-curricular provision continues to be a great strength of the Music Department and despite the impact of COVID-19, the department has continued to make available as many opportunities as possible for the girls, with some notable events and achievements in 2019-2020.

Performances included: The Young Performers Platform, a half termly lunchtime concert well attended by students and parents; St Richard's Hospice Lights of Love Service in December 2019 where the Year 7 and 8 Choir provided the music; GCSE and A Level Recital Evening in February 2020; Malvern Priory Lunchbox Concert in March 2020, performed by a range of soloists from Years 8 to 13 and the MSJ Singers; an extremely successful School Concert 'Around the World in 80 Days' showcasing the School's large and chamber ensembles as well as soloists just two weeks before lockdown; and Friday Recitals every week during lockdown featuring videos of our instrumentalists and singers performing at home to share with the School community and posted on Instagram.

There was a 100% pass rate in both Autumn and Spring sessions which were held in person with exceptional results via video submission in the Summer term and highlights over the year included two Distinctions for ABRSM Grade 8 Singing and a pupil achieving a near perfect ARSM Diploma in Flute.

With regards to music representation outside School, two pupils remain members of the National Youth Choir of Great Britain's Training Choir and Girls' Choir respectively and both took part in online courses run during the Spring and Summer terms recording new music written specifically for the lockdown sessions. Three pupils

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

gained places as Girl Choristers at Worcester Cathedral and five were members of the Worcestershire Youth Orchestra.

The Drama Department has continued to be very busy, working hard to move as much as possible on-line in the later stages of the year. They staged a production of '946, The Amazing Story of Adolphus Tips', in December 2020 which was very well received. By approaching the composer directly, they managed to secure the rights and the copies of the music, which gave the production a buzz that the script alone did not offer. The girls were outstanding in their parts, and overall, around 60 girls were involved bringing a real sense of comradeship to the School as well as supporting and building on each girl's confidence and self-worth. Girls took on responsibility within the production by directing some of the scenes, working as the stage managers, helping with costume and makeup, helping to create the set. They also had a message of encouragement and support from Michael Morpurgo himself, who asked to see photos or clips of the production and was delighted they were reviving the play.

Over the Summer Term whilst in Lockdown, the Drama department ran a Monologue Competition, open to all, but allowed the Scholars and More Able to develop their drama skills, with the help of the Prefects and Ambassadors who were able to develop their leadership skills. The highlight of lockdown however was the production of 'Aladdin' during Arts week by the girls in Years 7 & 8 who thoroughly enjoyed the learning experience. The girls managed to act, sing, and dance through the different songs from the show, filming their work which was pulled together digitally, ending up with the full show. The whole week was a great success, with the girls working in virtual groups and liaising directly with each other to complete their sections. They worked in Drama, Art, Dance, Music and Digital skills, and the project offered something for everyone.

A group of Year 12 and 13 girls took part in the Silver Arts Award. This enabled them to use their additional learning to support their bids to go on to Drama School or read Drama at Higher Education level. To succeed in this award the girls contributed to Drama Club with the Year 7 & 8 group and were supported by Juliet Fisher in her as Head of Drama and Arts Advisor for the Arts Awards.

In the Summer Term the 'EARs' – the 'Expressive Arts Responders' – was set up and led by the Expressive Arts Prefects, a Teams channel to give a voice to the students in the development of the Arts in the school. There was also a new Year 9 Drama Club, which worked on a fun radio play during the Spring lockdown. Speech and Drama continued to thrive, with successful entries to the Worcester Festival and LAMDA exams across the year.

In Art, trips and residential form an invaluable part of pupils' involvement in their own learning. Due to lockdown the GCSE trip to Cornwall was sadly cancelled. However, one of the three visiting artists' workshops still went ahead and allowed pupils to access Art and Design from a career perspective as well as helping them to meet assessment criteria. The Portrait Painting Workshop, led by professional artist Mike Bagshaw, gave both students and staff the opportunity to work from a sitter, with expert tuition available. In addition, the department has organised several Life Drawing sessions for the Sixth Form.

Sport

Despite the impact of COVID-19 on the year, sport has continued wherever and however possible and the department reacted quickly and with enthusiasm when the first lockdown started - the subject continued to thrive due to the girls and staff response to online learning and they engaged the School through the 'pass the ball challenge' and tested pupils with other sporty challenges. Pupils took part in Active Worcestershire and won awards for the most engaged pupils and skills results.

The Physical Literacy programme has continued to provide the pupils with better knowledge and movement and it is evident pupils have become more physically literate.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

In summary, there was a shorter but nonetheless successful sporting season with girls training with National Lacrosse Squads, County honours in Hockey, Swimming, Tennis and Cricket. An increase in numbers of girls dancing and an increase in girls attending extra-curricular clubs. Other positive changes were the introduction of a more aesthetic focus for pupils in the Sixth Form to keep fit and healthy. A structured winter Cricket programme has generated much interest amongst all girls and links have been made with the Worcestershire County Development board. Dance classes with Miss Amelia have proven popular with girls from the Pre-Prep up to Sixth Form. Three Worcester Students joined us this year to support our sporting ambitions and lead a more forward-thinking provision by providing coaching for all levels.

Prep sport gained momentum, with the U11 Hockey team beating several local Prep schools. The U9 and U8 teams enjoyed participating in a number of tournaments for the first time and every girl from years 3 and 4 was involved in fixtures. The U11 Netball team were Midlands champions at the ISA Netball tournament which MSJ hosted. At the ISA National finals, the team were runners up in the Trophy competition. Two girls finished 2nd and 4th at the School Games District Cross Country Competition. They then went on to represent Worcester West at the County round of the competition. One of these pupils also performed well at the ISA Midlands Cross Country Competition but was unable to compete at the National Finals.

The Hockey Programme at MSJ has seen great improvement and development in the 2019-20 season following the arrival of the new Astroturf in November, which was opened by Kate Richardson-Walsh OBE, Team GB Olympic Gold and Bronze Medal-winning hockey player. The Senior 1st team entered tier two of the English School Cup and also the Midlands Indoor League. One 1st team player was playing in the Women's Division 1 League. The U13's had a successful afternoon at the County Tournament finishing 4th overall. Many girls in the U15, U14 and U13 teams have gained County honours for Worcestershire.

Lacrosse - The U12 team had a successful season winning most of their games. The U13 team had some excellent performances this season with many close games and were successful in taking wins against top schools including CLC. Although day one was cancelled, day two of Nationals saw some great play by the team, which finished with a good win. The progression made in Lacrosse led to six pupils being selected for Junior Academy programmes in England and Wales.

Netball - The U13 and U14 teams qualified for the County Netball Championship showing improvement in the junior Netball at MSJ. The U12 team won the Worcestershire West Schools Games Tournament hosted at MSJ. The Senior, U16 and U15 teams all played several friendly matches throughout the season. The U13 team went on GSA Netball Camp weekend in September with the girls winning the Plate competition. Two pupils gained selection into the U16 County Netball team and several girls in Year 8 are training with the County Development squad.

The Cross-Country teams enjoyed another successful season. Four pupils represented the district at the County Cross Country competition and although three of them qualified for the ISA National Cross-Country Finals, this event could not take place due to COVID-19.

Football is flourishing at MSJ, with good numbers at the afterschool club. The U11 team played in the Worcestershire School Games competition, the team were unbeaten on the day and lost out in qualifying for the final on goal difference. The U13 team took part in the Worcestershire County Cup, where they achieved a 2 – 0 win. Unfortunately, the team were unable to play in the final due to the season being suspended but having scored eight goals without conceding any in the run up would have put them as favourites.

The Ski Team - In February three pupils from Year 8 travelled to the French resort of Flaine to compete in the 61st British Schoolgirls' Races. This was the first time MSJ had entered this event and they received ski training from a ESF Ski trainer prior to the racing which really helped prepare them for this prestigious competition. There

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

were 158 racers from over 50 different schools and the combination of good race times and consistent results led to the MSJ team being crowned best new team for Under 16 Grand Slalom and Best New School over all from all age categories.

Swimming continued to flourish at MSJ with many Prep and Senior girls involved in a busy Autumn term of competitive events and friendly meets, where there were several successful performances. The season started at the ESSA West Midlands Schools qualifier where MSJ entered both an U15 and U13 team, followed by the ISA Midlands Swimming Gala, where the Year 8 team came 1st overall and the Year 9/10 team came 3rd. Two MSJ sisters qualified to compete in the ISA National Swimming Gala at London Aquatics Centre where one of them gained two Silver and two Bronze medals and the other gained Silver. Swimming meetings at Cheltenham Ladies' College and Monmouth School for Girls provided a positive end to the swimming season with wins all around in both U13 and U15 age groups.

Winter Cricket training has been well attended and girls have welcomed the slight shift in sports from Rounders to Cricket. The introduction of our Worcester Students has helped raise the Cricket programme to encourage more girls to play the game and gain honours. Many girls are playing for clubs and at county level throughout the Prep and Senior School. Eight pupils have been training with Hereford and Worcestershire County Development squads and so the future in this sport is very promising.

The U13 Tennis team qualified to compete at the LTA Midlands Regional Finals at Tipton Sports Academy in September. Six pupils were successful in representing Worcestershire U14 and U12 County Teams.

There has been a greater inclusion of Dance. Ballet lessons are now delivered by AKA Dance Academy and numbers of girls from the pre-prep up to 6th form taking these classes has grown. The addition of classes for Foundation and Intermediate awards have proven popular; these awards allow our older ballet dancers to also gain GCSE and UCAS points on completion of these courses. Some pupils were lucky enough to meet Rebecca Haw, a ballerina from the Semperoper Ballet who trained at Elmhurst Ballet School. She talked about her career to date and what being a professional ballerina entails. MSJ ballerinas also performed at the Christmas Lights switch-on in Malvern Priory Church, and a selection of girls from Years 5 – 9 took part in Dance Club and were working particularly hard on a routine for Redditch Gotta Dance Competition which was due to take place on 27 April, but subsequently postponed. Dance was introduced as an option for Senior PE lessons and proved very popular.

Outdoor Pursuits

2019-2020 was a challenging year for the Outdoor Pursuits Department due to COVID-19. The year got off to a very good start. The Bronze expeditions were a success with many of the girls choosing to continue onto silver. The two outdoor residentials for the years 7,8 and 9 went well with the highlight being the campfire. The climbing and kayak clubs have proven popular. When the pandemic hit it made it impossible for the expeditions for the D of E to continue. The girls however adjusted and continued to do their activities virtually.

Library

The Library remains at the heart of academic provision within the School as well as providing an enrichment programme to support the development of a lifelong love of learning, including trips and visiting authors, such as the Oxford lectures trip and the Parliament Trip – which also included a visit to The National Portrait Gallery, the RSA as well as a Parliament tour and workshop session.

The Academic Scholars Quiz is a firm part of the calendar now and takes place in the Spring term. It allows pupils to mingle in mixed year teams. The Oxplore Live session lecture was hosted by academics at Oxford

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

University and livestreamed directly to MSJ pupils. The Year 9 independent learning day took place differently due to COVID-19, with A Call to Action replacing the Political Party project. Pupils were invited to think of a theme/voice/cause that they wanted to champion. The final presentation was in the format of their own choice and was deemed very successful.

Robin Stevens visited School in the autumn term, with Malvern Community Bookshop and five local maintained schools also in attendance. Julia Golding ran the assembly and workshops on World Book Day Assembly for Prep and Senior school pupils who learnt how to create characters from prompts such as pictures on a postcard and by using their senses.

Speak Out! Assemblies started in the Spring term for Years 7-10 to give pupils the opportunity to talk about something that they feel is important to them. In addition, the National Poetry Day Assembly was led by pupils around the theme of Truth. Girls read poems and one wrote and performed a particularly powerful original piece which was subsequently published in The Chronicle.

Year 8/9 Pupils were taken to the Cheltenham Literature Festival to focus on Female Voices - Kit De Waal & Kiran Milwood Hargraves. The authors talked about reinventing female voices within fiction with the reinterpretation of Moby Dick and the brides of Dracula. Somerville suppers, Book Club and Readers and Writers clubs continued despite lockdown.

Pupil Wellbeing

Pupil Wellbeing remains a priority and the School is anticipating the opening of MSJ Hive – the wellbeing space – once out of 'bubbles'. The School has recently submitted a detailed piece of work to be considered for an accredited award in Mental Health and Wellbeing and await results.

The MSJ Festival of Wellbeing (June 2020) was a two-day online event featuring guest speakers, workshops and Q&A sessions. The festival was well attended and feedback was positive. There are plans to make this a biennial event and it is hoped that it can be a hybrid event incorporating on-site and online content.

During lockdown pupils were sent a weekly Check-In form allowing for the Pastoral team to reach out in response and to help identify trends.

43 MSJ staff have been trained as Mental Health Youth First Aiders, in addition, Sixth Form pupils have been offered the opportunity to complete this training and to become accredited MHF Aiders.

OGA

The School's links with the alumnae association have befitted pupils through the Senior School lecture programme. Last year, the OGA supplied multiple speakers for two bridging courses – one for Year 11s in preparation for Sixth Form and one for Year 13 in preparation for University. Specialist subjects ranged from a life coach to a former investment banker (the youngest ever female Director appointed by Barings), turned entrepreneur to former military personnel turned Silicon Valley tech exec, turned award-winning wildlife photographer. Old Girl Caitlin Hughes, CEO of Magnum Pictures, the oldest picture library in the world, was speaker at Prizegiving 2020, talking about life at Oxford University and beyond.

Our Old Girls continue to be very invested in the School and are forthcoming about volunteering their expertise in this way. Speakers have supported the School's Sports Awards, Sixth Form Experience Day and the launch of the Astroturf in November 2019.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

The School has pivoted to doing more online reunion activity, which has proved successful and allows girls and former staff around the UK and the globe to connect with others at online events. This has been the silver lining of not being able to do face-to-face events: our geographical reach extends much further, which is very important to a boarding school which has always attracted an international base. This will continue to remain part of the School's package of events going forward.

b. Development

The Director of Development took up her role in the Summer of 2019 with the over-arching goal being to enhance, sustain and support a dynamic and engaged School community. The Director will extend and develop a plan to maximise fundraising income in support of the School's strategic goals, sustaining its core values.

The School is keen to extend access to its excellent educational provision through fundraising in support of our bursary programme as well as for capital projects which will enhance the teaching and learning and boarding experiences at the School.

Work began in late Summer and the first half of the Autumn Term 2019 to create a public brochure detailing the School's Strategic Vision to 2025, authored by Mark Groome, Chair of Governors (resigned 2 July 2020). This was completed and distributed to all stakeholder groups – parents, staff, Old Girls, Honorary Members (former staff), Past Parents and other friends and supporters in our Community in November 2020.

Consultation for the Fundraising Feasibility Study to ascertain support in the MSJ community for the Development projects earmarked by Council and SLT took place in Spring 2020. These were: bursaries, Library redevelopment for the digital age and Smart Classroom. A small project for the Sports department and some finishing touches to the boarding houses (Benhams and Hatfield). A mix of parents, past parents, Old Girls from all founding schools, staff, former staff, former Headmistresses, governors (past and present) and current students were involved in this comprehensive study which took place through January, February and March. A consultancy, Gifted Philanthropy, a fundraising specialist, was secured to lead the study and provide confidence in the process and the outcomes.

Their report was delivered in May 2020 and the outcomes were that the School should look to raise several million for the Library and Smart Classrooms and for Bursaries (the latter included legacy giving). A timeline was given, incorporating a planning phase, an active 'ask' phase and a pledge period, with all monies/ pledges secured by the end of 2023.

Moving forward with the planning phase was then immediately impacted by the COVID-19 Pandemic.

However, fundraising continued during this period, with an appeal launched to support families who were in difficulties with school fees because of the impact of lockdown on their businesses/ employment status. Over £70,000 was raised, largely through Old Girls in the UK and internationally. Some parents also contributed.

The School also launched a Music Award bursary appeal in the name of Mrs Lynne Lindner, Head of Music Performance who was retiring after 27 years' service at MSJ and founding school, St James's. Much of this work was predicated around a retirement event and large and small music events, all of which became impossible because of lockdown and there was no capacity to create professional music events online. It is fully intended to make the Music Award an ongoing part of bursary provision and bursary appeals moving forward. This will be supported by a programme of solicitation events as soon as is possible.

The School deposit donation scheme was also reactivated in the Summer for parents of leavers, not just in Year 13 but also in the Senior School.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Philanthropy continues to be very much part of the School's ethos and is included in the Headmistress' messaging at flagship events such as Prizegiving and the OGA Summer Reunion and Committee meetings.

The School is registered with the Fundraising Regulator and attends relevant conferences to ensure best practice is applied. The School takes seriously its obligations to its community and donors.

The School continues to invite Past Parents and Families to be part of its community when pupils leave school. The School sends out an annual OGA News magazine to Old Pupils, with termly e-News (digital) newsletters going out to OGA members and Past Parents and Families.

The School contacts members of its community (parents, alumnae and past parents and families) regarding fundraising activities. The School does not contact general members of the public who are not identified as stakeholder groups of the School. All fundraising efforts make clear any donations are discretionary and no undue pressure is made on any individual. It is very easy for any of the Schools' contacts to unsubscribe and stop receiving any form of communications from the Development Office. All emails contain an unsubscribe link.

In the last financial year there have not been any breaches or failure to comply with fundraising regulatory standards or any regulatory body governing fundraising policies.

There have not been any formal complaints against the School's fundraising procedures.

Financial review

a. Results for the year

The income from fees, the Charity's principal source of income, was significantly impacted by the COVID-19 pandemic. The mandatory closure of the School required a comprehensive review of its income and expenditure. The Governors analysed the costs savings which could be materialised, together with what Government assistance was available, including the Coronavirus Job retention Scheme (CJRS). Through a combination of cost savings whilst the School was closed and the use of CJRS, the Board concluded it could offer parents a lower fee for the Summer Term. This resulted in a loss of budgeted income of £450k.

Given the unprecedented circumstances, all planned capital projects, other than the investment in ICT to support the remote learning programme and subsequent re-opening of the School, were temporarily paused in order for Governors to reassess and repurpose funds accordingly.

In addition, as a result of the COVID-19 pandemic, the School's Easter and Summer Lets programme was cancelled resulting in a loss of forecast profit of £142k.

Malvern St James Enterprises limited, the trading subsidiary which operates the Sports Centre was also subject to mandatory closure and as such lost budgeted income of £115k.

The School made a surplus of £446k (2019: £133k), which includes a deficit of £98k (2019: £107k deficit) relating to its subsidiary Malvern St James Enterprises Limited. The net funds as at 31 August 2020 were £10,139k (2019: £9,693k).

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

b. Going concern

The financial statements have been prepared on a going concern basis. In common with other Schools, Malvern St James faces uncertainties arising from the current economic conditions and in particular the impact of the COVID-19 pandemic. The Governors have reviewed the latest financial data together with future forecasts, including detailed cash flow forecasts and varying degrees of sensitivity analysis. In doing so, the Governors have reasonable expectation that the School has adequate resources to continue to adopt the going concern basis. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

c. Reserves policy

The Governors regularly review the level and nature of the total funds of the School.

The School's total reserves of £10,139k (2019: £9,693k) at the year-end included £142k endowment funds and £667k of restricted funds. Due to the continued investment in fixed assets in the School, there are currently no free reserves in the School (2019: £Nil). However, the Governors are satisfied that external facilities provide an additional and adequate safety net if it should be required. Adequate arrangements are in place with the School bankers and meet the forecast Cash Flow needs of the School. Accordingly, they consider that the going concern basis remains appropriate for the preparation of the School's accounts.

d. Principal risks and uncertainties

The Governing Body are responsible for overseeing of the risks faced by the School and its subsidiary. The Governing Body have assessed the major risks to which the School and its subsidiary are exposed. Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, not absolute, assurance that major risks have been adequately managed.

The School's Risk register identifies any major risks to the School, grading risks by likelihood and impact, including measures to mitigate them.

The COVID-19 pandemic has been a major risk to the School across many areas, which has taken considerable investment in time and equipment to ensure we provided an above average safe environment for our staff and pupils. In March, all risks were reviewed in light of COVID-19 pandemic and continued to be reviewed throughout the year.

Health and Safety is always a significant area for risk management. The risks range from fire and infrastructure to personal risks (most notably when away from the School site on trips and expeditions). The level and breadth of activity at the School is impressive and the risks associated with all activities are minimised by thorough planning, risk assessments and a culture of Safe Operating. In response to COVID-19, the School put in place physical and technological mitigation measures that went beyond the requirements of government guidance to ensure we could continue to operate where permitted and mitigate risk to business from depleted income streams. Testament to the mitigations in place and School communities' approach to safety, we only had one positive case of COVID-19 which resulted in a small year group bubble having to self-isolate – an achievement that was commented on by Public Health England.

Detailed consideration of risk is delegated to the Governance and Legal Committee, which reports formally to the Governing Body at each meeting. 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

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

risks that are assessed as high. The key 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 Strategy & Business Committee.
- Comprehensive strategic planning, budgeting and management accounting to enable financial performance to be monitored and reviewed.
- Established organisational structures and lines of reporting.
- Formal written policies and plans, including clear authorisation and approval levels.
- Child Protection and Safeguarding embedded within the organisational culture and reinforced with regular training for Governors and all staff.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the School and its subsidiary.

Structure, governance and management

a. Constitution

Malvern St James Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

Malvern St James Ltd ("the School") is registered with the Charity Commission under Charity No. 527513 and constituted as a company registered in England No 00232081. Each of its member's liability is limited to £1 by guarantee.

The School is governed by its Memorandum and Articles of Association.

The principal object of the School is the advancement of education for the benefit of the public by:

- the provision and conduct of a pupils' school to be known as "Malvern St James" established as an organisation with a Christian ethos to further the education of its pupils, such education to include social and physical training subject to any provision which may be made to meet the needs of pupils of different denominations or faiths: and
- such incidental or ancillary educational activities or other associated activities for the benefit of the community in Malvern and the wider community beyond as the Governors shall in their discretion determine from time to time.

b. Methods of appointment or election of Governors

The Governing Body is self-appointing. Members are required to retire after three years but can be re-elected. The maximum term in office is nine years.

The Governing Body requires breadth and depth of experience to carry out its duties effectively and efficiently. New members of the Governing Body are elected on the basis of nominations from the Governors based on the

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

candidates' professional qualities, experience, personal competence and local availability.

The Governance and Legal Committee maintain a skills matrix and aim to recruit Governors to match the needs of the Governing Body, taking in to account any skills gaps and succession planning for retiring members.

c. Organisational structure and decision-making policies

The members of the Governing Body, as the charity trustees, are legally responsible for the overall management and control of the School. The full board meets four times a year.

The work of implementing their policies is carried out by eight Committees:

- Finance Committee scrutinises revenue, the budget and capital expenditure. This Committee also supervises and finalises the audited financial statements and annual report for approval by the Governing Body. The Committee is chaired by Mrs Alex Boulter.
- Remuneration Committee (a subcommittee of Finance) oversees the remuneration of the Headmistress and Senior Leadership Team. The Committee is chaired by Mrs Gemma Bruce.
- Estates Committee is responsible for maintaining and developing the School's land, buildings and facilities; and ensuring compliance with health and safety requirements. The Committee is chaired by Mr Robert Pearce.
- Education and Pastoral Committee supports the Headmistress in executing the major function of the School, which is the education of its pupils. The Committee monitors and reviews the agreed academic, curricular, extra-curricular and pastoral provision of the School. The Committee is chaired by Miss Alison Warne.
- Governance and Legal Committee co-ordinates all aspects of corporate governance, legal and regulatory compliance, and risk management. The Committee is chaired by Mrs Anne Coles.
- Communications Committee monitors, develops and implements the School's Strategic Communications Plan with internal and external communities. The Committee is chaired by Mrs Gemma Bruce.
- Development Committee oversees the implementation of a strategic programme of fundraising, communication and relationship building aligned to the Communications strategy. The Committee is chaired by Mr Bill Richards.
- Strategy and Business Committee considers proposals for the development of the School and considers the strengths and weaknesses of strategic options with Senior Leadership. The Committee is chaired by Mrs Gemma Bruce.

The day-to-day running of the School is delegated to the Headmistress, who is supported by the Senior Leadership Team and together this group are the key management personnel. The Headmistress attends all meetings of the Governing Body's Committees and the relevant members of the Senior Leadership Team attend where appropriate.

d. Policies adopted for the induction and training of Governors

New Governors are given access to a comprehensive Induction Pack and Governance Manual which has links to other relevant documentation. Experienced Governors act as mentors for new Governors and new Governors

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

also attend specialist external courses on the role and responsibilities of charity trustees. This preliminary information enables new Governors to understand the overall administration and governance structure of the School and helps them to play an active role.

Members of the Governing Body attend internal and external Governor training and information courses designed to keep them informed and updated on current issues in the sector and regulatory requirements.

e. Employment policy

The School is an equal opportunities employer and no employee or applicant is treated unfairly by reason of a protected characteristic as defined within the Equality Act 2010. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Using the ICE model, consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Communication with employees continues through normal management channels in a variety of forms and also through exceptional channels to apprise staff of current issues.

f. Related party relationships

The School has one wholly owned subsidiary, Malvern St James Enterprises Limited, registered number 5851583. The trading activities of Malvern St James Enterprises Limited primarily comprise a retail outlet and revenue from letting of sports facilities when not in use by the School. The subsidiaries' aims, objectives and achievements are covered in the relevant sections of this report.

g. Pay policy for senior staff

Key management personnel are remunerated in line with the school's policy. Benchmark's, parameters and criteria used for setting the pay of key management personnel are reviewed by the remuneration committee.

Plans for future periods

Future developments

Within the context of the stated Strategic Objectives of the School Development Plan, agreed with the Governing Council in June 2019 and reviewed in 2020, the School seeks to support future plans by further developing:

- Opportunities for curriculum innovation and links with industry and commerce within STEAM, independent learning, entrepreneurial thinking and risk-taking supported by an academic enrichment programme so that each pupil develops a spirit of enquiry and the intellectual toolkit for future success.
- Continuing investment in assisted technologies, resources and facilities to support e- learning, library provision and the development of critical literacy in pupils.
- Continuing investment in sport's provision to support a holistic education and pupils' emotional, mental and physical health.
- Development within Pastoral Care and Boarding to support pupils' mental health and wellbeing, including the development of a Character programme to underpin personal development and the emotional toolkit pupils need to thrive.
- A strong sense of community and a partnerships programme with local schools, nurseries and charities

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods (continued)

where emphasis on the individual is complemented by teamwork, charitable giving and a focus on public benefit and community engagement.

- A boarding school ethos which is vibrant and sustained through high quality boarding provision which meets the needs of full, weekly, flexi and day boarders.
- Effective communications and relationships within School, between School and home, past parents and alumnae in community events and developments to enrich and strengthen our community life through increased quality of engagement.
- Global opportunities, ethical leadership and awareness for students and staff.
- Growth in philanthropy and fundraising to support the School's commitment to its educational objectives and public benefit.

Charity Governance Code

The Trustees are aware of the new charity governance code issued in July 2017. A review will be undertaken of the guidance in order to ensure that the charity is working in line with the code, in all ways where it is practicable to do so.

Statement of Governors' responsibilities

The Governors (who are also the directors of the School for the purposes of company law) are responsible for preparing the Governors' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial Year. 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 Group and the School and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the School's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the School and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Disclosure of information to auditor

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

- so far as that Governor is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Governors will propose a motion reappointing the auditor at a meeting of the Governors.

Approved by order of the members of the board of Governors on 17 March 2021 and signed on their behalf by:



Mrs G Bruce
Chair

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MALVERN ST JAMES LIMITED

Opinion

We have audited the financial statements of Malvern St James Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the Year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the School balance sheet, the Consolidated statement of cash flows and the related notes, 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 2020 and of the Group'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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MALVERN ST JAMES LIMITED
(CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Governors' report including the Strategic report.

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

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

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MALVERN ST JAMES LIMITED
(CONTINUED)

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Drew (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

23 March 2021

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Income and endowments from:						
Donations and legacies	4	-	151,322	-	151,322	87,527
Charitable activities:						
School fees receivable		9,560,165	-	-	9,560,165	9,381,123
Registration fees		39,467	-	-	39,467	46,739
Ancillary trading income		98,130	-	-	98,130	137,938
Non-ancillary trading income	7	241,691	-	-	241,691	643,568
Other income	8	484,037	-	-	484,037	-
Total income and endowments		10,423,490	151,322	-	10,574,812	10,296,895
Expenditure on:						
Raising funds:	9					
Trading activities MSJE		534,890	-	-	534,890	607,908
Financing costs		98,779	-	-	98,779	54,058
Charitable activities:						
Education and grant making	11	9,431,504	63,840	-	9,495,344	9,502,040
Total expenditure		10,065,173	63,840	-	10,129,013	10,164,006
Net income		358,317	87,482	-	445,799	132,889
Transfers between funds	24	66,150	(66,150)	-	-	-
Net movement in funds		424,467	21,332	-	445,799	132,889

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)**
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Note					
Reconciliation of funds:					
Total funds brought forward	8,905,653	645,896	141,859	9,693,408	9,560,519
Net movement in funds	424,467	21,332	-	445,799	132,889
Total funds carried forward	9,330,120	667,228	141,859	10,139,207	9,693,408

The notes on pages 32 to 55 form part of these financial statements.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00232081

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	11,575,998	11,703,927
		<u>11,575,998</u>	<u>11,703,927</u>
Current assets			
Stocks	17	78,332	98,639
Debtors	18	485,799	475,358
Cash at bank and in hand		2,836,859	2,843,888
		<u>3,400,990</u>	<u>3,417,885</u>
Creditors: amounts falling due within one year	19	(4,282,075)	(4,808,851)
Net current liabilities		<u>(881,085)</u>	<u>(1,390,966)</u>
Total assets less current liabilities		<u>10,694,913</u>	<u>10,312,961</u>
Creditors: amounts falling due after more than one year	20	(555,706)	(619,553)
Total net assets		<u><u>10,139,207</u></u>	<u><u>9,693,408</u></u>
Charity funds			
Endowment funds	24	141,859	141,859
Restricted funds	24	667,228	645,896
Unrestricted funds	24	9,330,120	8,905,653
Total funds		<u><u>10,139,207</u></u>	<u><u>9,693,408</u></u>

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors on 17 March 2021 and signed on their behalf by:



Mrs G Bruce

The notes on pages 32 to 55 form part of these financial statements.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 00232081

SCHOOL BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	7,902,280	7,920,640
Investments	16	3,476,780	3,574,642
		<u>11,379,060</u>	<u>11,495,282</u>
Current assets			
Stocks	17	14,635	23,716
Debtors	18	736,246	759,741
Cash at bank and in hand		2,835,838	2,832,015
		<u>3,586,719</u>	<u>3,615,472</u>
Creditors: amounts falling due within one year	19	(4,270,866)	(4,797,793)
Net current liabilities		<u>(684,147)</u>	<u>(1,182,321)</u>
Total assets less current liabilities		<u>10,694,913</u>	<u>10,312,961</u>
Creditors: amounts falling due after more than one year	20	(555,706)	(619,553)
Total net assets		<u><u>10,139,207</u></u>	<u><u>9,693,408</u></u>
Charity funds			
Endowment funds	24	141,859	141,859
Restricted funds	24	667,228	645,896
Unrestricted funds	24	9,330,120	8,905,653
Total funds		<u><u>10,139,207</u></u>	<u><u>9,693,408</u></u>

Malvern St James Limited has taken the exemption from presenting a parent Statement of Financial Activities incorporating Income and Expenditure Accounts under section 408 of the Companies Act 2006. The surplus for the financial year dealt with in the financial statements of the parent charitable company was £445,799 (2019: £132,889). The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors on 17 March 2021 and signed on their behalf by:



Mrs G Bruce

The notes on pages 32 to 55 form part of these financial statements.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	26	644,152	1,774,377
Cash flows from investing activities			
Purchase of tangible fixed assets		(572,415)	(427,691)
Net cash used in investing activities		(572,415)	(427,691)
Cash flows from financing activities			
Repayments of borrowing		(34,713)	(11,302)
Interest paid on borrowings		(44,053)	(45,047)
Net cash used in financing activities		(78,766)	(56,349)
Change in cash and cash equivalents in the Year		(7,029)	1,290,337
Cash and cash equivalents at the beginning of the Year		2,843,888	1,553,551
Cash and cash equivalents at the end of the Year	27	2,836,859	2,843,888

The notes on pages 32 to 55 form part of these financial statements

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. General information

Malvern St James Limited is a Company limited by guarantee (registered number 00232081), which is incorporated and registered in England and Wales. It's charity registration number is 527513. The registered office and principal place of business is 15 Avenue Road, Malvern, Worcestershire, WR14 3BA.

It's principal activity is the provision of boarding and day schooling.

The members of the company are the Governors named on page . 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.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Malvern St James Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated 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.

The School has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The financial statements have been prepared on a going concern basis. In common with other Schools, Malvern St James faces uncertainties arising from the current economic conditions and in particular the impact of the COVID-19 pandemic. The Governors have reviewed the latest financial data together with future forecasts, including detailed cash flow forecasts and varying degrees of sensitivity analysis. In doing so, the Governors have reasonable expectation that the School has adequate resources to continue to adopt the going concern basis.

The Governors have also taken steps post year end to secure the sale of assets surplus to requirements and secure a Coronavirus Business Interruption Loan to offer additional operating headroom.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.3 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs 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.

2.4 Income

All income is recognised once the School has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the School has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the School, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds

Expenditure on charitable activities and governance costs are costs incurred on the School's educational operations, including support costs and costs relating to the governance of the School apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.6 Government grants

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold buildings	- 2% straight line
House refurbishments	- 2-10% straight line
Plant, fixtures & equipment	- 10-33% straight line

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

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

2.14 Pensions

The School operates a defined contribution pension scheme and the pension charge represents the amounts payable by the School to the fund in respect of the Year.

The School also operates a defined benefits pension scheme. The scheme is a multi-employer scheme where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employers. Therefore, as required by FRS102, the School accounts for the scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities represents contributions payable to the scheme in respect of the accounting period.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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 Governors, 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.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Income from donations and legacies

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations and gifts	151,322	151,322	87,527
Total 2020	<u>151,322</u>	<u>151,322</u>	<u>87,527</u>
<i>Total 2019</i>	<u>87,527</u>	<u>87,527</u>	

5. Charitable activities - School fees receivable

	2020 £	<i>2019 £</i>
Gross fees	10,559,469	10,421,826
Less: total scholarships, bursaries and awards	(1,063,144)	(1,088,412)
	<u>9,496,325</u>	<u>9,333,414</u>
Add back: Bursaries and other awards paid for by restricted funds	63,840	47,709
	<u>9,560,165</u>	<u>9,381,123</u>

Scholarships and bursaries, and awards were paid for a total of 201 pupils (2019: 196).

Within this means tested bursaries totalling £544,153 were paid to 124 pupils (2019: £533,348 to 111 pupils).

In 2019, of the total income from school fees receivable all were unrestricted.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

6. Charitable activities - Ancillary trading income

	2020 £	<i>2019</i> £
Trips	20,600	22,320
Commission	17,417	22,205
Minibus income	60,113	93,413
	98,130	<i>137,938</i>

In 2019 all of the total income from ancillary trading income was to unrestricted funds.

7. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019</i> £
Rents and letting's	4,108	4,108	302,508
Trading income MSJE	237,583	237,583	341,060
Total 2020	241,691	241,691	643,568
<i>Total 2019</i>	<i>643,568</i>	<i>643,568</i>	

8. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019</i> £
Government grant	484,037	484,037	-

The government grant received during the year related to the Coronavirus Job Retention Scheme.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. Expenditure on raising funds - Financing costs

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bad debts	54,726	54,726	9,768
Bank interest payable	44,053	44,053	44,290
Total 2020	<u>98,779</u>	<u>98,779</u>	<u>54,058</u>
<i>Total 2019</i>	<u>54,058</u>	<u>54,058</u>	

Hire purchase interest payable of £Nil (2019: £757) is included within the MSJE trading expenses.

10. Expenditure on raising funds - Trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	253,323	253,323	271,445
Depreciation	111,980	111,980	113,769
Other costs	169,587	169,587	222,694
Total 2020	<u>534,890</u>	<u>534,890</u>	<u>607,908</u>
<i>Total 2019</i>	<u>607,908</u>	<u>607,908</u>	

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching costs	4,531,224	-	4,531,224	4,338,737
Welfare costs	1,657,802	-	1,657,802	1,818,872
Premises	1,433,491	-	1,433,491	1,422,392
Support costs and governance	1,808,987	63,840	1,872,827	1,922,039
Total 2020	<u>9,431,504</u>	<u>63,840</u>	<u>9,495,344</u>	<u>9,502,040</u>
<i>Total 2019</i>	<u>9,454,331</u>	<u>47,709</u>	<u>9,502,040</u>	

Summary by expenditure type

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching costs	4,132,063	294,182	104,979	4,531,224	4,338,737
Welfare costs	1,259,826	29,418	368,558	1,657,802	1,818,872
Premises	506,109	235,346	692,036	1,433,491	1,422,392
Support costs and governance	761,075	29,418	1,082,334	1,872,827	1,922,039
Total 2020	<u>6,659,073</u>	<u>588,364</u>	<u>2,247,907</u>	<u>9,495,344</u>	<u>9,502,040</u>
<i>Total 2019</i>	<u>6,375,762</u>	<u>563,922</u>	<u>2,562,356</u>	<u>9,502,040</u>	

Governance included in support costs

Support costs for schooling includes finance, HR, marketing, IT costs and governance costs of £18,000 (2019: £14,400) which relate to auditors fees.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Auditor's remuneration

	2020	<i>2019</i>
	£	£
Fees payable to the School's auditor for the audit of the School's annual accounts	14,150	<i>13,750</i>
Fees payable to the School's auditor in respect of: The auditing of accounts of subsidiaries of the School	2,800	<i>2,730</i>
	=====	=====

13. Staff costs

	Group 2020	<i>Group 2019</i>	School 2020	<i>School 2019</i>
	£	£	£	£
Wages and salaries	5,664,753	<i>5,592,107</i>	5,430,571	<i>5,339,328</i>
Social security costs	459,830	<i>474,759</i>	447,237	<i>462,132</i>
Pension costs	787,813	<i>580,341</i>	781,265	<i>574,302</i>
	=====	=====	=====	=====
	6,912,396	<i>6,647,207</i>	6,659,073	<i>6,375,762</i>

During the year there were termination payments made totalling £19,560 to 3 employees (*2019: £Nil*).

The average number of persons employed by the School during the Year was as follows:

	Group 2020	<i>Group 2019</i>
	No.	No.
Teaching	117	<i>118</i>
Welfare and premises	128	<i>127</i>
Support and management and administration	30	<i>26</i>
Coaches	31	<i>34</i>
MSJE staff	21	<i>23</i>
	=====	=====
	327	<i>328</i>

The average headcount expressed as full-time equivalents was:

	Group 2020	<i>Group 2019</i>
	No.	No.
Total staff	210	<i>209</i>
	=====	=====

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	<i>Group 2019 No.</i>
In the band £60,001 - £70,000	2	<i>1</i>
In the band £100,001 - £110,000	1	<i>1</i>

The key management personnel of the charity comprise the Senior Leadership team which is formed of 8 (2019: 9). The total employee benefits of the key management personnel were £622,155 (2019: £573,781).

14. Governors' remuneration and expenses

During the Year, no Governors received any remuneration or other benefits (2019 - £NIL).

During the Year ended 31 August 2020, expenses totalling £1,900 were reimbursed or paid directly to 4 Governors (2019 - £2,864 to 6 Governors). The Governors reimbursement of expenses was for travel.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Tangible fixed assets

Group

	Freehold land and buildings £	House refurbishments £	Plant, fixtures and equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2019	12,962,242	3,656,005	4,059,679	218,337	20,896,263
Additions	-	106,862	465,553	-	572,415
Transfers between classes	-	-	218,337	(218,337)	-
At 31 August 2020	12,962,242	3,762,867	4,743,569	-	21,468,678
Depreciation					
At 1 September 2019	4,696,175	1,272,391	3,223,770	-	9,192,336
Charge for the Year	253,940	234,251	212,153	-	700,344
At 31 August 2020	4,950,115	1,506,642	3,435,923	-	9,892,680
Net book value					
At 31 August 2020	8,012,127	2,256,225	1,307,646	-	11,575,998
At 31 August 2019	8,266,067	2,383,614	835,909	218,337	11,703,927

Included in land and buildings is freehold land at cost of £55,229 (2019 - £55,229), which is not depreciated.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Tangible fixed assets (continued)

School

	Freehold land and buildings £	House refurbishments £	Plant, fixtures and equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2019	8,232,633	3,656,005	3,724,367	218,337	15,831,342
Additions	-	106,862	463,142	-	570,004
Transfers between classes	-	-	218,337	(218,337)	-
At 31 August 2020	<u>8,232,633</u>	<u>3,762,867</u>	<u>4,405,846</u>	<u>-</u>	<u>16,401,346</u>
Depreciation					
At 1 September 2019	3,680,720	1,272,391	2,957,591	-	7,910,702
Charge for the Year	159,348	234,251	194,765	-	588,364
At 31 August 2020	<u>3,840,068</u>	<u>1,506,642</u>	<u>3,152,356</u>	<u>-</u>	<u>8,499,066</u>
Net book value					
At 31 August 2020	<u>4,392,565</u>	<u>2,256,225</u>	<u>1,253,490</u>	<u>-</u>	<u>7,902,280</u>
At 31 August 2019	<u>4,551,913</u>	<u>2,383,614</u>	<u>766,776</u>	<u>218,337</u>	<u>7,920,640</u>

Included in land and buildings is freehold land at cost of £55,229 (2019 - £55,229), which is not depreciated.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Fixed asset investments

	Investments in subsidiary companies £
School	
Cost or valuation	
At 1 September 2019	4,500,001
At 31 August 2020	<u>4,500,001</u>
Impairment	
At 1 September 2019	925,359
Charge for the Year	97,862
At 31 August 2020	<u>1,023,221</u>
Net book value	
At 31 August 2020	<u>3,476,780</u>
<i>At 31 August 2019</i>	<u>3,574,642</u>

All the fixed asset investments are held in the UK and are valued at cost less impairment. The net book value of the investment has been written down to the net assets of the trading subsidiary.

Principal subsidiaries

The following was a subsidiary undertaking of the School:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
Malvern St James Enterprises Limited	05851583	15 Avenue Road, Malvern, Worcestershire, WR14 3BA	£1 Ordinary	100%

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

16. Fixed asset investments (continued)

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Malvern St James Enterprises Limited	437,028	(534,890)	(97,862)	3,476,780

The licence fee charged by Malvern St James Enterprises Limited to the School was £139,932 (2019: £139,932) and rent of £Nil (2019: £19,500).

17. Stocks

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Goods for resale and consumables	78,332	98,639	14,635	23,716

Stock recognised as an expense in the Statement of Financial activities during the year was £67,388 (2019: £88,922).

18. Debtors

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Due within one year				
Trade debtors	211,003	270,934	211,003	270,934
Amounts owed by group undertakings	-	-	288,779	319,902
Other debtors	23,886	130,790	23,038	125,310
Prepayments and accrued income	250,910	73,634	213,426	43,595
	485,799	475,358	736,246	759,741

An impairment loss of £54,726 (2019: £9,768) was recognised against trade debtors.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Bank loans	35,929	34,714	35,929	34,714
Trade creditors	131,622	284,879	131,621	283,830
Other taxation and social security	133,558	136,458	131,423	134,936
Fee deposits (note 21)	1,789,470	1,815,142	1,789,470	1,815,142
Fees in advance (note 22)	1,641,631	2,067,312	1,641,631	2,067,312
Other creditors	153,462	159,658	144,389	151,171
Accruals and deferred income	396,403	310,688	396,403	310,688
	4,282,075	4,808,851	4,270,866	4,797,793

The bank loan is secured by a legal charge over the freehold properties, Greenslade House and The Mount. The loan is repayable by April 2028 in monthly instalments. The interest rate is 3% per annum over the base rate.

Included within other creditors of the School and the Group are outstanding pension contributions of £82,469 (2019: £64,068).

20. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Bank loans	258,056	293,984	258,056	293,984
Fees in advance (note 22)	297,650	325,569	297,650	325,569
	555,706	619,553	555,706	619,553

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Payable or repayable by instalments	102,200	142,985	102,200	142,985

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Fee deposits

In the normal course of business and based on the going concern basis, the profile of pupils leaving the school, and therefore having their fees deposits repaid, gives the expected repayment of acceptance fee deposits as follows:

	2020 £	2019 £
In one year or less	407,649	348,044
Between one and two years	256,813	461,482
Between two and five years	955,243	817,638
Over five years	169,765	187,978
	<u>1,789,470</u>	<u>1,815,142</u>

22. Advance fees

Parents may enter into a contract with the School up to the equivalent of seven years' tuition fees in advance. The money may be returned subject to specific conditions. Assuming pupils remain at the School, advance fees will be discounted at varying rates.

Amounts fall due on advance fees as follows:

	2020 £	2019 £
Other creditors	1,641,631	2,067,312
Other creditors 1-2 yrs	297,650	325,569
Balance at 31 August 2020	<u><u>1,939,281</u></u>	<u><u>2,392,881</u></u>

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

23. Financial instruments

	Group 2020 £	<i>Group 2019 £</i>	School 2020 £	<i>School 2019 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	-	-	3,476,780	3,574,642
Financial assets measured at amortised cost	234,889	401,724	522,820	716,146
	234,889	401,724	3,999,600	4,290,788
	Group 2020 £	<i>Group 2019 £</i>	School 2020 £	<i>School 2019 £</i>
Financial liabilities				
Financial liabilities measured at amortised cost	2,764,942	2,899,065	2,755,868	2,889,529

Financial assets measured at fair value through income and expenditure comprise investments.

Financial assets measured at amortised cost comprise trade debtors, other debtors and group debtors.

Financial liabilities measured at amortised cost comprise bank loan, trade creditors, fee deposits, accruals and other creditors.

Impairment losses charged on financial assets and liabilities measured at amortised cost in the year amounted to £98,779 (2019: £54,725) for the Group and £98,779 (2019: £54,058) for the School.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Statement of funds

Statement of funds - current Year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
Unrestricted funds					
Unrestricted funds	9,831,012	9,986,462	(9,530,283)	66,150	10,353,341
Malvern St James Enterprises Limited reserves	(925,359)	437,028	(534,890)	-	(1,023,221)
	<u>8,905,653</u>	<u>10,423,490</u>	<u>(10,065,173)</u>	<u>66,150</u>	<u>9,330,120</u>
Endowment funds					
Endowment Funds	<u>141,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,859</u>
Restricted funds					
Development fund	96,158	70,456	(27,083)	(66,150)	73,381
M Warner Legacy	543,302	-	(21,328)	-	521,974
Professor Billing fund	6,436	-	-	-	6,436
Financial aid COVID-19 fund	-	75,281	(15,429)	-	59,852
Lynne Linder Bursary appeal	-	4,266	-	-	4,266
Greenslade & Poulton memorial fund	-	1,319	-	-	1,319
	<u>645,896</u>	<u>151,322</u>	<u>(63,840)</u>	<u>(66,150)</u>	<u>667,228</u>
Total of funds	<u><u>9,693,408</u></u>	<u><u>10,574,812</u></u>	<u><u>(10,129,013)</u></u>	<u><u>-</u></u>	<u><u>10,139,207</u></u>

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

24. Statement of funds (continued)

Statement of funds - prior Year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds					
Unrestricted funds	9,564,975	9,708,876	(9,508,389)	65,550	9,831,012
Malvern St James Enterprises Limited reserves	(817,943)	500,492	(607,908)	-	(925,359)
	<u>8,747,032</u>	<u>10,209,368</u>	<u>(10,116,297)</u>	<u>65,550</u>	<u>8,905,653</u>
Endowment funds					
Endowment Funds	<u>141,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>141,859</u>
Restricted funds					
Development fund	100,427	86,391	(25,110)	(65,550)	96,158
M Warner Legacy	565,901	-	(22,599)	-	543,302
Professor Billing fund	5,300	1,136	-	-	6,436
	<u>671,628</u>	<u>87,527</u>	<u>(47,709)</u>	<u>(65,550)</u>	<u>645,896</u>
Total of funds	<u><u>9,560,519</u></u>	<u><u>10,296,895</u></u>	<u><u>(10,164,006)</u></u>	<u><u>-</u></u>	<u><u>9,693,408</u></u>

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

Summary of funds - current Year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2020 £
General funds	8,905,653	10,423,490	(10,065,173)	66,150	9,330,120
Endowment funds	141,859	-	-	-	141,859
Restricted funds	645,896	151,322	(63,840)	(66,150)	667,228
	<u>9,693,408</u>	<u>10,574,812</u>	<u>(10,129,013)</u>	<u>-</u>	<u>10,139,207</u>

Summary of funds - prior Year

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2019 £
General funds	8,747,032	10,209,368	(10,116,297)	65,550	8,905,653
Endowment funds	141,859	-	-	-	141,859
Restricted funds	671,628	87,527	(47,709)	(65,550)	645,896
	<u>9,560,519</u>	<u>10,296,895</u>	<u>(10,164,006)</u>	<u>-</u>	<u>9,693,408</u>

The Endowment fund consists of current assets. It was originally established by a gift from Miss Edwards to assist a British girl to attend Malvern Girls' College. Additional funds have come from donations from the Old Girls' Association.

The Restricted Fund monies are gifts for express purposes as follows:

Development donations received from parents of £66,150 (2019: £65,550) have been received during the year, £66,150 of this has been spent and therefore transferred from restricted to unrestricted funds.

The Warner legacy is a bequest from a former pupil to be used for specific purposes.

The Professor Billing fund was a donation towards the purchase of science books for the library.

The Financial aid COVID-19 fund was a bursary appeal following COVID-19 global pandemic, to support families experiencing financial hardship due to the pandemic.

The Lynne Linder Bursary appeal was a fundraising appeal to support outstanding music scholars through Sixth Form.

The Greenslade & Poulton memorial fund was a fundraising appeal to install a memorial headstone in the Malvern Cemetary.

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

25. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total funds 2020 £
Tangible fixed assets	11,575,998	-	-	11,575,998
Current assets	2,591,903	667,228	141,859	3,400,990
Creditors due within one year	(4,282,075)	-	-	(4,282,075)
Creditors due in more than one year	(555,706)	-	-	(555,706)
Total	9,330,120	667,228	141,859	10,139,207

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Endowment funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	11,703,927	-	-	11,703,927
Current assets	2,630,130	645,896	141,859	3,417,885
Creditors due within one year	(4,808,851)	-	-	(4,808,851)
Creditors due in more than one year	(619,553)	-	-	(619,553)
Total	8,905,653	645,896	141,859	9,693,408

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	<i>Group 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	445,799	132,889
Adjustments for:		
Depreciation charges	700,344	677,691
Decrease/(increase) in stocks	20,307	(4,598)
Decrease/(increase) in debtors	(10,441)	71,629
Increase/(decrease) in creditors	(555,910)	851,719
Interest paid on borrowings	44,053	45,047
Net cash provided by operating activities	644,152	1,774,377

27. Analysis of cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>
Cash in hand	2,836,859	2,843,888
Total cash and cash equivalents	2,836,859	2,843,888

28. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	2,843,888	(7,029)	-	2,836,859
Debt due within 1 year	(34,714)	34,713	(35,928)	(35,929)
Debt due after 1 year	(293,984)	-	35,928	(258,056)
	2,515,190	27,684	-	2,542,874

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

29. Capital commitments

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	-	243,385	-	243,385

30. Pension commitments

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 £680,603 (2019: £457,998) and at the year-end £72,680 (2019: £56,962) 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

MALVERN ST JAMES LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

30. Pension commitments (continued)

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.

Scheme for non-teaching staff

The School operates a defined contribution pension scheme for non-teaching staff which is managed by the Pensions Trust.

Contributions to the defined contribution pension scheme during the year included in the pension charge for the year amounted to £107,210 (2019: £122,343) and at the year-end £9,789 (2019: £13,629) was accrued in respect of contributions to this scheme.

31. Operating lease commitments

At 31 August 2020 the Group and the School had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	46,571	41,624
Later than 1 year and not later than 5 years	57,940	49,755
	104,511	91,379

The following lease payments have been recognised as an expense in the Statement of financial activities:

	Group 2020 £	<i>Group 2019 £</i>
Operating lease rentals	41,624	47,776

32. Related party transactions

There were no other related party transactions other than those disclosed in notes 12, 13 and 15.