

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

**GOVERNORS' REPORT**

**AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

# **ST FRANCIS' COLLEGE TRUST**

## **GOVERNORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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# ST FRANCIS' COLLEGE TRUST

## GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Governors (who are also the charity's trustees and the company's directors) present their report (which, for the purposes of company law, includes the strategic report and the directors' report), together with the financial statements of the charity, for the year ended 31 August 2020. These financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS 102).

### REFERENCE AND ADMINISTRATIVE INFORMATION

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

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

### Governors

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

Mr A W Goodwin\* (Chairman)

Dr S M Richardson

Mrs P J Barlow

Mr G D Ritchie\*

Mr M J Dingemans\*\*

Mrs A Aldridge\*\*\* (Appointed 6 September 2019)

Prof D S Freeth (Resigned 11 October 2019)

Miss E Ismay\*

Mrs S J Styles

Mr C G Nott\* (Resigned 12 June 2020)

\* Members of the Finance Committee throughout the period unless otherwise stated

\*\* Joined the Finance Committee on 18 September 2019

\*\*\* Joined the Finance Committee on 6 September 2019

### Senior Officers and Professional Advisers

Headmistress:

Mrs B Goulding

Bursar:

Ms C Eames

Company Secretary:

Miss E Ismay

Principal Bankers:

Barclays Bank PLC, 5/6 High Street, Hitchin, Herts SG5 1BH

Solicitors:

Veale Wasborough Vizards, Narrow Quay House, Narrow Quay, Bristol BS1 4QA

Auditors:

Keelings Limited, Broad House, 1 The Broadway, Old Hatfield, Herts AL9 5BG

# **ST FRANCIS' COLLEGE TRUST**

## **GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

### **Structure, governance and management**

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

#### Organisational Management

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

#### Governing Body

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

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

### **Objects and activities**

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

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

#### Objectives for the Year

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

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

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

# **ST FRANCIS' COLLEGE TRUST**

## **GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

To achieve the first of these objectives, the College:

- sought to improve the quality of the education offered by recruiting and retaining the best available staff, providing all staff with high levels of support and professional training and appraising all staff regularly;
- increased the frequency of pupil assessments and reporting to parents;
- continued to provide a wide choice of extra-curricular and after-school activities;
- enhanced its international outlook by participating in a pupil exchange programme with the Unison World School in India and in a World Challenge expedition, and maintained its links with the Kanyike Project in Uganda, although visits have not been possible due to the Covid-19 pandemic;
- continued to monitor the well-being of pupils and provide pastoral care;
- maintained a high level of communication with all stakeholders; and
- expanded and improved the promotion of the College via its improved website.

To achieve the second of these objectives, the College:

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

### **STRATEGIC REPORT**

#### **Achievements and performance**

##### Providing high quality teaching and encouraging engagement with the broader community

During the year 355 (2019: 373) pupils attended the College, of whom 56 were boarders (2019: 67).

Teaching staff took part in regular INSET training and CPD to ensure teaching was of the highest standard and reflected best practice. Academic results underline the standard of teaching; the overall A level pass rate was 100% (2019: 100%), with 60% of pupils achieving straight A\*/A grades (2019: 42%). At GCSE, 73% of grades were 7-9 (2019: 73%), (or A/A\* in the old grading structure). Our results continue to be well above the national average. Due to Covid-19, there were no league tables this academic year.

Pupils took part in a wide range of extra-curricular activities that spanned academic, sport, arts and community endeavours. These included participation in the Duke of Edinburgh Award Scheme, which gave pupils an opportunity to serve as volunteers in the local community. Pupils also raised funds for a variety of charities, which included the Kanyike Project (which aims to relieve poverty and provide education to children in Uganda).

The College had a very successful regulatory compliance inspection in January 2020.

The College switched seamlessly to remote learning when the global pandemic forced a nationwide lockdown in March 2020. Staff and pupils successfully ran a full timetable of lessons, co-curricular and extra-curricular provision, online, for the duration of the lockdown, while supporting key workers' children in College.

It was another outstanding year for University applications, with 97% of our students gaining places for Higher Education and 3% taking a gap year. Our Sixth Form have gone on to study a wide range of subjects, including Medicine, Law and Engineering, at prestigious universities including LSE, Warwick, Durham, UCL and Manchester.

Pupils have also had considerable success at national competition level, in Science Olympiads and UKMT Maths Challenges, as well as LAMDA and ABRSM examinations. They have worked alongside the University of Hertfordshire on genuine primary research into antibiotics in the soil. The Year 11 and 12 cohort have been directly involved in academic research, working successfully on a genome decoding project.

# ST FRANCIS' COLLEGE TRUST

## GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

### Providing access to services and facilities for the wider community

#### *Bursaries, scholarships and fee concessions*

The College offered means-tested bursaries to parents who might not otherwise be able to afford the fees usually charged by the College. However, the College has no investments or endowments to fund bursaries, so they are necessarily limited. Bursaries of £92,729 (2019: £91,518) were granted in the year to 10 pupils (2019: 9). The College also promoted achievement and access to the College by awarding academic, sports and arts scholarships of £271,398 (2019: £285,123), and by granting fee concessions of £70,771 (2019: £63,037) to staff and parents with more than one child at the College.

#### *Access to facilities*

During the first half of the year, before Covid-19 restrictions were imposed, the College made its facilities available to local state schools and a variety of organisations operating for the benefit of young people. State schools used the swimming pool free of charge and pupils from local schools were invited to participate in a variety of events such as drama and music. Letchworth Baptist Church, Letchworth & District Gang Show and other local groups also used facilities at a reduced rate. The College's mini buses are made available to local Scout and Guide groups at a reduced rate. We provided our Chapel for Remembrance Day 2019 to the congregation of St Michael's Church.

### **Financial review and results for the year**

The College has reported a surplus of £591,617 for the year, which includes a property revaluation gain of £602,089; without this gain, there would have been a deficit of £10,000 this year (2019: surplus of £312,000). Income declined by £379,000 to £6.1m. A significant element of this is due to the pandemic, which impacted boarding fees, tuition fees (as a fee discount was provided) and other educational and trading income during the latter part of the year. The reduction in pupil numbers in the year was also a factor. These reductions were partially offset by furlough grants and fee inflation. Expenditure reduced by £57,000, to £6.1m, due to continued careful cost control. Cash reduced by £133,000, to £1.3m. The College ended the year with net current assets of £22,000 (2019: £62,000) and total net assets of £4m (2019: £3.4m), of which just £1,336 (2019: £1,336) is restricted.

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. On this basis, the College does not have any Reserves, because its unrestricted funds of £4m (comprising 99.96% of its total funds) have all been invested in tangible fixed assets for use by the College. The Governors have reviewed their Reserves policy and will operate for the foreseeable future without any Reserves, and so their Reserves policy is now to have none. However, this does not imply any relaxation in the execution of their financial obligations towards the College, but simply acknowledges the fact that, subject to having sufficient cash (see the following paragraph), the Governors' primary aim is to provide the best possible educational facilities, which requires investment in fixed assets and therefore precludes the accumulation of significant Reserves by the College at the current time.

To facilitate their primary aim, the Governors' financial efforts are centered on measures that will increase income and secure efficiency savings, supported by robust financial control through a system of regular management reporting, credit control, budgeting and cash forecasting. After taking account of the adverse impact of Covid-19 on the College's finances in 2020-21 and critically reviewing budgeted income and expenditure for subsequent years, which show a return to accounting and cash surpluses, the Governors are satisfied that the College will have sufficient cash resources to fund its activities for the foreseeable future. Monthly cash forecasting is regularly updated and benefits from the College almost invariably receiving cash in advance of expenditure being incurred.

# **ST FRANCIS' COLLEGE TRUST**

## **GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

### **Investment policy**

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

### **Future plans**

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

### **Long leasehold properties**

As the College's long leasehold residential property is not required directly for charitable purposes and was let throughout the year, the Governors valued the property at the year-end and categorised it as an investment property in these accounts. In the informed opinion of the Governors, the value of remaining long leasehold property, being the College itself, is greater than its book value; the property has been revalued for insurance purposes within the past five years.

### **Risk Management**

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

### **Statement of Governors' responsibilities**

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

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

**ST FRANCIS' COLLEGE TRUST**  
**GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

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

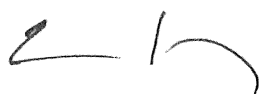
So far as the Governors are aware:

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

**Auditors**

The College's auditors were Nicholsons, who merged with Jones Hunt & Keelings after the College's year-end. The combined firm uses a company within its group, Keelings Limited, to provide audit services and so the Governors appointed Keelings Limited as the College's auditors.

This report was approved by the Board of Governors at its meeting on 18 May 2021 and signed by order of the Board by:



Miss E Ismay  
Company Secretary



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

### **Opinion**

We have audited the financial statements of St Francis College Trust (the "Charity") for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis of opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where the Governors (who are also the directors of the Charity for the purposes of company law and its trustees for the purposes of charity law):

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

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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

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

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

### **Responsibilities of the Governors**

As explained more fully in the Statement of Governors' Responsibilities statement (set out on pages 5 and 6), the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

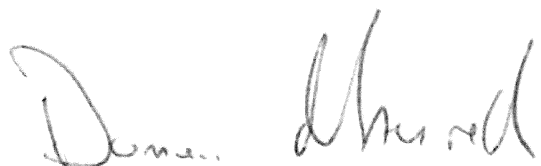
### **Our responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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



Domenico Maurello (Senior Statutory Auditor)  
for and on behalf of Keelings Limited  
Statutory Auditors, Chartered Tax Advisers  
and Chartered Certified Accountants  
Broad House  
1 The Broadway  
Old Hatfield  
Hertfordshire AL9 5BG

18 May 2021

# ST FRANCIS' COLLEGE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted Fund £	Total 2020 £	Total 2019 £
<b>INCOME:</b>					
Donations		-	2,204	2,204	6,546
Government grants	14	-	151,778	151,778	-
Charitable activities:					
College fees	3	5,443,767	-	5,443,767	5,772,226
Other educational activities	3	315,570	-	315,570	379,184
Ancilliary trading income	3	129,756	-	129,756	189,082
Other trading activities	4	60,003	-	60,003	135,131
<b>Total incoming resources</b>		<u>5,949,096</u>	<u>153,982</u>	<u>6,103,078</u>	<u>6,482,169</u>
<b>EXPENDITURE:</b>					
Charitable activities:					
College operating costs	7	5,959,568	153,982	6,113,550	6,170,077
<b>Total expenditure</b>	5	<u>5,959,568</u>	<u>153,982</u>	<u>6,113,550</u>	<u>6,170,077</u>
<b>NET OPERATING (DEFICIT)/INCOME</b>		(10,472)	-	(10,472)	312,092
Gain on investment property revaluation	8	602,089	-	602,089	-
<b>Net Income (including property revaluation)</b>		<u>591,617</u>	<u>-</u>	<u>591,617</u>	<u>312,092</u>
<b>Funds brought forward 1 September 2019</b>		3,409,534	1,336	3,410,870	3,098,778
<b>Funds carried forward 31 August 2020</b>	14	<u>4,001,151</u>	<u>1,336</u>	<u>4,002,487</u>	<u>3,410,870</u>

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

As depreciation was again not charged this year on long leasehold property, the net surplus on an historical cost basis was also £591,618 (2019: £312,092).

The notes form part of these financial statements

**ST FRANCIS' COLLEGE TRUST**  
**(COMPANY NUMBER: 01724197)**

**BALANCE SHEET AS AT 31 AUGUST 2020**

	Notes	2020 £	£	2019 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		4,629,663		4,086,573
<b>CURRENT ASSETS</b>					
Debtors	9	138,112		199,104	
Cash at bank and in hand		1,308,336		1,441,145	
		<u>1,446,448</u>		<u>1,640,249</u>	
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>1,424,137</u>		<u>1,577,990</u>	
<b>NET CURRENT ASSETS</b>			<u>22,311</u>		<u>62,259</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,651,974		4,148,832
<b>CREDITORS: Amounts falling due after more than one year</b>	11		649,487		737,962
<b>TOTAL NET ASSETS</b>			<u><u>4,002,487</u></u>		<u><u>3,410,870</u></u>
<b>FUNDS OF THE CHARITY:</b>					
Restricted funds	14		1,336		1,336
Unrestricted funds	14		3,346,837		3,357,309
Fair value reserve	14		654,314		52,225
<b>TOTAL FUNDS</b>	14		<u><u>4,002,487</u></u>		<u><u>3,410,870</u></u>

Approved by the Board on 18 May 2021 and signed on its behalf by:



AW Goodwin - Chairman of Governors



A Aldridge - Governor

The notes form part of these financial statements

# ST FRANCIS' COLLEGE TRUST

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

	2020		2019	
	£	£	£	£
<b>Cash flows from operating activities</b>				
Net movement in funds		591,618		312,092
Interest payable	14,793		16,445	
Depreciation	89,493		108,771	
Gain on investment property valuation	(602,089)		-	
Decrease (increase) in debtors	60,991		(49,575)	
Decrease in creditors	<u>(157,906)</u>		<u>(207,665)</u>	
		(594,718)		(132,024)
<b>Cash (absorbed) generated by operating activities</b>		<u>(3,100)</u>		<u>180,068</u>
<b>Cash flows from investing activities</b>				
Purchase of tangible fixed assets	<u>(30,495)</u>		<u>(26,895)</u>	
Net cash used by investing activities		(30,495)		(26,895)
<b>Cash flows from financing activities</b>				
Bank loan repayments	(84,421)		(83,098)	
Interest	<u>(14,793)</u>		<u>(16,445)</u>	
Net cash used by financing activities		(99,214)		(99,543)
<b>Change in cash in year</b>		<u>(132,809)</u>		<u>53,630</u>
<b>Cash at the beginning of the year</b>		1,441,145		1,387,515
<b>Cash at the end of the year</b>		<u><u>1,308,336</u></u>		<u><u>1,441,145</u></u>

The notes form part of these financial statements

# ST FRANCIS' COLLEGE TRUST

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020

### NOTES TO THE CASH FLOW STATEMENT

#### 1. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	Balance at 1 September 2019	Cash flow	Balance at 31 August 2020
<b>Net cash</b>			
Cash at bank and in hand	<u>1,441,145</u>	<u>(132,809)</u>	<u>1,308,336</u>
	<u>1,441,145</u>	<u>(132,809)</u>	<u>1,308,336</u>
<b>Debt</b>			
Bank loan:			
Debt due within 1 year	(84,609)	(3,099)	(87,708)
Debt due after 1 year	<u>(459,635)</u>	<u>87,521</u>	<u>(372,114)</u>
	<u>(544,244)</u>	<u>84,422</u>	<u>(459,822)</u>
<b>Total</b>	<u>896,901</u>	<u>(48,387)</u>	<u>848,514</u>

The notes form part of these financial statements

# ST FRANCIS' COLLEGE TRUST

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

### 1. COMPANY INFORMATION

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

### 2. ACCOUNTING POLICIES

#### **Basis of Preparation**

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

The financial statements are prepared in Pounds Sterling, which is the functional currency of the College. Monetary amounts in these financial statements are rounded to the nearest pound.

#### **Critical accounting Judgements and key sources of estimation uncertainty**

In the application of accounting policies, the Governors are required to make judgements, estimates and assumptions that effect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on the financial statements:

- going concern: judgements concerning the on-going effects of Covid-19 and the number of pupils (particularly from overseas) that will attend the College next year
- tangible fixed assets - judgements concerning the current and residual values of these assets
- bad debts - judgements concerning the recoverability of debtors

#### **Tangible Fixed Assets**

Tangible fixed assets costing more than £1,000 are capitalised at cost, inclusive of any incidental expenses of acquisition. The Governors review the College's fixed assets annually for indications of impairment and make provisions as necessary. As noted below, depreciation is not provided on the College's investment property, but otherwise depreciation is provided as follows in order to write off each asset over its estimated useful life:

Long leasehold property	- in 2017, the Governors reviewed the residual value of the College's long leasehold properties in the light of FRS 102 and determined that it was similar to their net book value. They therefore resolved not to depreciate these assets further, unless this situation changes.
Motor vehicles	- at 20% on cost
Fixtures, fittings, furniture and equipment	- at rates varying between 10% and 33% on cost
Computers	- at 25% or 33% on cost



# ST FRANCIS' COLLEGE TRUST

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

### 2. ACCOUNTING POLICIES (continued)

#### **Investment Property**

Investment property is included at fair value and is valued annually by the Governors. Any surplus or deficit arising from changes in fair value during the year is recognised in the Statement of Financial Activities. The net fair value gains are unrealised and so are credited to a separate fair value reserve.

In accordance with FRS102, depreciation is not provided for in respect of investment properties. Such properties are held for their investment potential and not for consumption by the charity. This is a departure from the Companies Act 2006, which requires all properties to be depreciated, but the Governors consider that to depreciate them would distort the true and fair view of the financial statements.

#### **Financial Instruments**

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

#### **Going Concern**

After reviewing the College's financial projections, the Governors have a reasonable expectation that the College will continue to operate for the foreseeable future and so these financial statements are again prepared on the going concern basis.

#### **Fund Accounting**

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

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

#### **Incoming Resources**

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

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

#### **Government Grants**

Income from Government grants is recognised when the College is entitled to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

# ST FRANCIS' COLLEGE TRUST

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

### 2. ACCOUNTING POLICIES (continued)

#### **Resources Expended**

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

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

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

#### **Pension Schemes**

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

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

#### **Operating Leases**

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

# ST FRANCIS' COLLEGE TRUST

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

### 3. INCOME FROM CHARITABLE ACTIVITIES

	2020 £	2019 £
<b>College fees</b>		
Gross tuition fees	5,921,481	6,229,054
Less: scholarships, bursaries, discounts and allowances	(477,714)	(456,828)
	<u>5,443,767</u>	<u>5,772,226</u>
<b>Other educational income</b>		
Language, music, dance and other tuition	233,224	256,146
College trips and courses	73,918	113,551
Other activities	8,428	9,487
	<u>315,570</u>	<u>379,184</u>
<b>Ancillary trading income</b>		
Coach, taxis and other pupil travel	81,766	135,409
Exam fees	3,563	9,211
Pupil insurance	10,352	10,418
Registration & entrance fees	13,528	11,565
After-school clubs	3,139	4,908
Other activities	17,408	17,571
	<u>129,756</u>	<u>189,082</u>

### 4. ACTIVITIES FOR GENERATING FUNDS

	2020 £	2019 £
Letting of College facilities	58,003	95,869
Letting for Summer School	-	33,762
Non-repayable acceptance fees and charges for late fees	2,000	5,500
	<u>60,003</u>	<u>135,131</u>

### 5. EXPENDITURE

The year's surplus is stated after charging:

	2020 £	2019 £
Depreciation – owned assests	89,493	108,772
Operating lease rentals	21,959	44,188
Auditors' remuneration for audit (inc Vat)	7,000	7,000
Auditors' remuneration for other services (inc Vat)	5,000	5,000
Bank loan interest	14,793	16,445
Governors' liability insurance	964	876

# ST FRANCIS' COLLEGE TRUST

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

### 6. STAFF COSTS

Staff costs comprise:

	2020	2019
	£	£
Salaries and wages	3,042,472	3,067,700
Social security	292,866	288,044
Pension contributions	512,398	376,492
	<u>3,847,736</u>	<u>3,732,235</u>

The above staff costs include a termination payment of £3,464 (2019: £nil).

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

	2020		2019	
	Individuals	Full-time equivalent	Individuals	Full-time equivalent
Teaching staff	79	63	79	63
Non-teaching staff	34	23	37	28
	<u>113</u>	<u>86</u>	<u>116</u>	<u>91</u>

One employee (2019: one) received emoluments that fell between £100,000 and £110,000. With respect to this employee, the College is contributing to a defined benefit pension scheme.

One employee (2019: nil) received emoluments that fell between £70,000 and £80,000, and no employees (2019: one) received emoluments that fell between £60,000 and £70,000. With respect to this employee, the College is contributing to a defined contribution pension scheme.

During the year, no remuneration (2019: £nil) was paid to Governors. In addition to the Governors, the key management personnel of the College included the Headmistress, the Deputy Headmistress, the Director of Studies, the Head of Sixth Form, the Head of Prep Department and the Bursar. The aggregate employment payments to or for these employees amounted to £489,433 (2019: £391,495 - in the 2019 accounts, this amount was stated as £382,160, as some employer's pension contributions were inadvertently omitted). The increase in cost is due to the Head of Sixth Form joining the Senior Leadership Team in September 2019 and employer's pension contributions for teaching staff rising from September 2019.

### 7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	2020 Total	2019 Total
	£	£	£	£	£
<b>Charitable activities</b>					
College operating costs					
Teaching	3,335,350	289,578	24,885	3,649,813	3,602,511
Welfare	-	610,928	7,179	618,107	790,737
Premises	177,164	609,861	50,250	837,275	740,204
Support	462,999	484,386	7,179	954,564	1,010,797
Governance	-	53,791	-	53,791	25,828
<b>Total resources expended</b>	<u>3,975,513</u>	<u>2,048,544</u>	<u>89,493</u>	<u>6,113,550</u>	<u>6,170,077</u>

Staff costs include payments of £127,777 (2019: £131,029) to peripatetic and agency staff.

# ST FRANCIS' COLLEGE TRUST

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

### 8. TANGIBLE FIXED ASSETS

	Investment property £	Long Leasehold Land and Property £	Motor Vehicles £	Fixtures, Fittings, Furniture and Equipment £	Computers £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2019	-	5,336,151	97,584	1,624,051	363,291	7,421,076
Additions	-	-	-	1,795	28,700	30,495
Reclassification	97,911	(125,000)	-	-	-	(27,089)
Revaluation	602,089	-	-	-	-	602,089
At 31 August 2020	<u>700,000</u>	<u>5,211,151</u>	<u>97,584</u>	<u>1,625,846</u>	<u>391,991</u>	<u>8,026,571</u>
<b>DEPRECIATION</b>						
At 1 September 2019	-	1,464,493	97,584	1,431,913	340,515	3,334,505
Charge for the year	-	-	-	71,786	17,707	89,493
Reclassification	-	(27,089)	-	-	-	(27,089)
At 31 August 2020	<u>-</u>	<u>1,437,404</u>	<u>97,584</u>	<u>1,503,699</u>	<u>358,222</u>	<u>3,396,908</u>
<b>NET BOOK VALUE</b>						
At 31 August 2020	<u>700,000</u>	<u>3,773,747</u>	<u>-</u>	<u>122,147</u>	<u>33,769</u>	<u>4,629,663</u>
At 31 August 2019	<u>-</u>	<u>3,871,658</u>	<u>-</u>	<u>192,138</u>	<u>22,776</u>	<u>4,086,571</u>

The College owns a long leasehold residential property that had previously been made available to former headmistresses as part of their remuneration arrangements. Since the property is not required by the current Headmistress and was let throughout the year to a third-party, it has been shown above as an investment property. It was previously carried within Long Leasehold Land and Property at the Governors' 1996 valuation of £125,000, less depreciation of £27,089. With the assistance of a local firm of estate agents familiar with the property, the Governors revalued the property to £700,000 at 31 August 2020, resulting in a revaluation gain of £602,089.

The investment property is used to raise funds for charitable activities, while all other fixed assets are used directly for charitable activities.

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

	2020 £	2019 £
Cost	45,000	45,000
Aggregate depreciation	<u>(18,736)</u>	<u>(18,736)</u>
Net book value	<u>26,264</u>	<u>26,264</u>

In the opinion of the Governors, the College's remaining long leasehold property, being the College itself, has a market value in excess of its carrying value.

# ST FRANCIS' COLLEGE TRUST

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

### 9. DEBTORS

	2020	2019
	£	£
Debtors for fees and lettings	24,832	37,231
Prepayments and accrued income	113,280	161,873
	<u>138,112</u>	<u>199,104</u>

### 10. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Bank loan	87,708	84,609
Trade creditors	187,493	215,918
Fees received in advance	857,696	989,446
Repayable acceptance fees	24,250	101,498
Social security and other taxes	72,894	70,879
Other creditors	57,865	48,515
Accrued expenses	136,231	67,125
	<u>1,424,137</u>	<u>1,577,990</u>

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

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

	2020	2019
	£	£
Bank loan	372,114	459,635
Repayable acceptance fees	277,373	241,679
Fees received in advance	-	36,648
	<u>649,487</u>	<u>737,962</u>

### 12. FEES RECEIVED IN ADVANCE

Fees received in advance comprise the following:

	2020	2019
	£	£
Fees received in respect of the next academic year	857,696	989,446
Fees received in respect of subsequent academic years	-	36,648
	<u>857,696</u>	<u>1,026,094</u>

# ST FRANCIS' COLLEGE TRUST

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

### 12. FEES RECEIVED IN ADVANCE (continued)

The movement during the year in respect of fees received for subsequent academic years is as follows:

	£
Balance at 1 September 2019	36,648
Transferred to creditors due within one year	(36,648)
Balance at 31 August 2020	-

### 13. BANK LOANS, HIRE PURCHASE AGREEMENTS AND FINANCE LEASES

The College's borrowings mature as follows:

	2020 £	2019 £
Bank loans:		
In less than one year	87,708	84,609
In more than one year but less than two years	90,375	87,183
In more than two years but less than five years	281,739	277,783
After five years	-	94,669
	<u>459,822</u>	<u>544,244</u>

Bank borrowings are secured on the College's assets. The College's bank loans of £459,822 are repayable in monthly instalments by April 2025; interest is payable at a variable rate, which at the balance sheet date was 2.6% pa (2019: 3% pa).

### 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 August 2020 are represented by:			
Tangible fixed assets	4,629,663	-	4,629,663
Current assets	1,445,112	1,336	1,446,448
Creditors due within one year	(1,424,137)	-	(1,424,137)
Creditors due after one year	(649,487)	-	(649,487)
	<u>4,001,151</u>	<u>1,336</u>	<u>4,002,487</u>

# ST FRANCIS' COLLEGE TRUST

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

### 14. STATEMENT OF FUNDS (continued)

	Balance at 1 September 2019 £	Incoming Resources £	Revaluation Gain £	Resources Expended £	Transfers £	Balance at 31 August 2020 £
Unrestricted funds	<u>3,357,309</u>	<u>5,949,096</u>	<u>-</u>	<u>5,959,568</u>	<u>-</u>	<u>3,346,837</u>
Fair value reserve	<u>52,225</u>	<u>-</u>	<u>602,089</u>	<u>-</u>	<u>-</u>	<u>654,314</u>
Restricted funds:						
Government Grants	-	151,778	-	151,778	-	-
Equipment Fund	<u>1,336</u>	<u>2,204</u>	<u>-</u>	<u>2,204</u>	<u>-</u>	<u>1,336</u>
	<u>1,336</u>	<u>153,982</u>	<u>-</u>	<u>153,982</u>	<u>-</u>	<u>1,336</u>
Total funds	<u><u>3,410,870</u></u>	<u><u>6,103,078</u></u>	<u><u>602,089</u></u>	<u><u>6,113,550</u></u>	<u><u>-</u></u>	<u><u>4,002,487</u></u>

The increase in the fair value reserve is attributable to the revaluation of the College's long leasehold residential property.

The Government Grants were in respect of the Coronavirus Job Retention Scheme and were applied towards payroll costs.

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

### 15. TAXATION

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

### 16. COMMITMENTS UNDER OPERATING LEASES

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

	2020 £	2019 £
Expiring:		
- within one year	3,591	-
- between two and five years	<u>23,814</u>	<u>63,957</u>
	<u><u>27,405</u></u>	<u><u>63,957</u></u>

### 17. LEGAL STATUS OF THE CHARITY

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



# ST FRANCIS' COLLEGE TRUST

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

### 18. PENSION SCHEMES

The College participates in the Teachers' Pension Scheme (England and Wales) ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £486,358 (2019: £360,500). At the year-end, £55,746 (2019: £45,091) was owed in respect of this scheme.

The TPS is an unfunded, multi-employer, defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. Members contribute on a 'pay as you go' basis, with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid from public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The most recent actuarial valuation was as at 31 March 2016, published on 5 March 2019. This has set the new employer contribution rate at 23.6% with effect from 1 September 2019, an increase of 44%.

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

The College's total pension contributions payable for the year were £509,610 (2019: £376,492). At the balance sheet date, the College owed pension contributions of £56,353 (2019: £45,902).

### 19. ULTIMATE CONTROLLING PARTY

The College is controlled by the Board of Governors.

### 20. RELATED PARTY TRANSACTIONS

No remuneration or expenses was paid to any Governor during the year, but the College did pay £964 (2019: £876) for Governors' indemnity insurance. During the year, one Governor (2019: one) was charged tuition fees of £33,807 (2019: £33,691), on the same terms as other parents. Two members (2019: two different members) of the Senior Leadership Team were charged tuition fees totalling £21,082 (2019: £11,458), after receiving the usual discounts available to staff members and scholarships.

The college was charged £678 (2019: £nil) for the supply of furniture by a business in which the spouse of a member of the Senior Leadership team has an interest. At the balance sheet, no amounts (2019: £nil) were owed to this business.

# ST FRANCIS' COLLEGE TRUST

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

### 21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Fund £	Total 2019 £
<b>INCOME:</b>			
Donations	-	6,546	6,546
Charitable activities:			
College fees	5,772,226	-	5,772,226
Other educational activities	379,184	-	379,184
Ancillary trading income	189,082	-	189,082
Other trading activities	135,131	-	135,131
Interest receivable	-	-	-
<b>Total incoming resources</b>	<b>6,475,623</b>	<b>6,546</b>	<b>6,482,169</b>
<b>EXPENDITURE:</b>			
Charitable activities:			
College operating costs	6,163,531	6,546	6,170,077
<b>Total expenditure</b>	<b>6,163,531</b>	<b>6,546</b>	<b>6,170,077</b>
<b>NET INCOME</b>	<b>312,092</b>	<b>-</b>	<b>312,092</b>
<b>Funds brought forward 1 September 2018</b>	<b>3,097,442</b>	<b>1,336</b>	<b>3,098,778</b>
<b>Funds carried forward 31 August 2019</b>	<b>3,409,534</b>	<b>1,336</b>	<b>3,410,870</b>

### 22. FINANCIAL INSTRUMENTS

	2020 £	2019 £
Financial liabilities measured at amortised cost	761,445	924,069
Interest on financial liabilities measured at amortised cost	14,793	16,445

Financial instruments measured at amortised cost comprise bank loans, repayable acceptance fees and fees billed in advance for terms other than the imminent one.