



WESTMINSTER SCHOOL
(Incorporating Westminster under School)

ANNUAL REPORT OF THE GOVERNORS
AND
FINANCIAL STATEMENTS

30 JUNE 2020

St Peter's College (otherwise known as Westminster School)
Registered Charity Number: 312728

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GOVERNORS AND CHARITY TRUSTEES

The Governors of Westminster School are also the Charity Trustees. They are elected by the Governing Body or appointed as described below. The following have served as Governors throughout the period except where indicated:

Chairman	The Dean of Westminster, The Very Reverend Dr David Hoyle (<i>ex-officio</i>)	Appointed 16 November 2019
	The Dean of Westminster, The Very Reverend Dr John Hall (<i>ex-officio</i>)	Resigned 1 November 2019
	The Dean of Christ Church, Oxford, The Very Reverend Professor Martyn Percy Fellow of Trinity College, Cambridge, Prof John A Marenbon, FBA* (<i>appointed by Trinity College, Cambridge on 24th March 2020</i>)	(<i>ex-officio</i>) Appointed 24 March 2020 & Resigned 2 December 2020
	The Master of Trinity College, Cambridge, Sir Gregory Winter CBE FRS Nobel Laureate (<i>ex-officio</i>)	Resigned 1 October 2019
E,U,S	The Reverend Canon Jane Sinclair MA, BA (<i>appointed by the Dean and Chapter of Westminster</i>)	Resigned 30 April 2020
I,R	The Venerable Canon David Stanton M. Theol. MA, FRSA (<i>appointed by the Dean and Chapter of Westminster</i>)	
E,F,I,U,A ^c ,L,M,N,O	M C Baughan Esq *	
F,I,P	C N Foster Esq FCA *	Resigned 24 March 2020
E ^c ,O	Dr Priscilla Chadwick MA FRSA	
F,O	Professor Sir Christopher Edwards MD FRCP FRCPEd FRSE FMedSci HonDSc (Chair from 1 st to 16 th November 2019 & Deputy Chair from 17 th November 2019 to 29 May 2020)	Resigned 29 May 2020
F,I ^c	E R Neville-Rolfe Esq MA *	
E, L ^c ,O ^c ,K	Dame Judith Mayhew Jonas DBE	
F,I,L,N ^c ,O	M C Batten Esq BA ACA* (Executive Deputy Chair from 29 th May 2020)	
U ^c ,B	Ms J Reesby	
F ^c ,I,B	Mrs I R De*	
F,I,U,M ^c ,N,O	E M Cartwright Esq*	
F,U,N,B ^c	Ms E Reid* (<i>nominated by the full-time teaching staff of the Common Room</i>)	
E,O	Professor M J Dallman OBE	
E,N	Mrs Vicky Tuck	
E	J E B Colenutt Esq	Appointed 24 March 2020
E,U,S	Dr S R Anderson	Appointed 25 August 2020

Membership of the following committees and sub-committees of the Governing Body are indicated above with the code below: E – Education Committee; F - Finance & General Purposes Committee; I - Investment Sub-Committee; U - Under School Committee; P – Trustee of the Non-teaching Staff Pension Scheme; A – Archives Sub-Committee; L – Director of Floreat Overseas Holdings Limited (FOHL); M – Estates Sub-Committee; N – Nominations Committee; O – Overseas Committee; B- Director of the Ben Jonson Foundation.

In addition, Governors with special responsibilities as follows for S - Safeguarding, R - Boarding and K – SEND. In addition, Mr T Woods*, Mr D Shewaram and Mr N Bhanji* serve on the Investment Sub-Committee; Mr N Bhanji* serves on the Finance & General Purposes Committee; Miss K Arnold-Forster* and Ms V Moul serve on the Archives Sub-Committee; Mr T Burden serves on the Under School Committee; Mr A Michaelis and Mr S Price serve on the Estates Committee and Mr J Yu is on the Overseas Committee. Mrs Jacqueline Woods of Capital Cranfield Trustees Ltd is the independent chair of the WSRBS trustees.

A superscript ^c indicates Committee Chair. * following their name denotes an “Old Westminster”.

OFFICERS APPOINTED BY THE GOVERNING BODY

Head Master	Dr G J Savage	Bursar	M J Walsh Esq
Master of the Under School	M F O'Donnell Esq	Registrar	G St J Hopkins Esq
The Under Master	J H Kazi Esq	Clerk to the Governing Body	Mrs D M Turpin

Mr Patrick Derham left after six years' service as Head Master at the end of August 2020 and his replacement Dr Gary Savage started in September 2020. Mr O'Donnell resigned due to ill health in October 2020 and a recruitment process is underway to find his successor, in the meantime Dr Bailey is covering the Master of the Under School role. In October 2020 the role of Secretary to the Governing Body was transferred from the Bursar, who previously was carrying out both roles, and Mrs Dawn Turpin was appointed as Clerk to the Governing Body.

PRINCIPAL ADDRESSES

The principal addresses of the School are:

Westminster School:	Little Dean's Yard London SW1P 3PF	Westminster Under School:	Adrian House 27 Vincent Square London SW1P 2NN
Web address	www.westminster.org.uk		www.westminsterunder.org.uk

ADVISERS

Banker:	The Royal Bank of Scotland Drummonds Branch 49 Charing Cross London SW1A 2BZ	
Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH	Lee Bolton Monier-Williams 1 The Sanctuary London SW1P 3JT
	BDB Pitmans LLP 50 Broadway London SW1H 0BL	
Investment Managers:	Ruffer LLP 80 Victoria Street London SW1E 5JL	Waverton Investment Management Ltd 16 Babmaes Street London SW1Y 6AH
	Lansdowne Partners (UK) LLP 15 Davies Street London W1K 3AG	
Stockbrokers:	The Share Centre Oxford House, Oxford Road Aylesbury Bucks HP21 8SZ	Stocktrade PO Box 164, 8 West Marketgait, Dundee DD1 9YP

ANNUAL REPORT OF THE GOVERNORS

The Governors of Westminster School present their annual report under the Charities Act 2011 together with the audited financial statements for the year ended 30 June 2020 and confirm that the latter comply with the requirements of the Charities Act 2011 and the Charities SORP 2015.

REFERENCE AND ADMINISTRATIVE INFORMATION

Westminster School comprises the Great School (senior school for boys aged 13-15 years and boys and girls aged 16-18 years) and the Under School (a preparatory school for boys aged 7-13 years).

Westminster's origins can be traced to a charity school established by the Benedictine monks of Westminster Abbey. Its continuous existence is certain from the fourteenth century. It looks to Elizabeth I as its Founder, who conferred Royal patronage in 1560. Much of the Great School is located in a World Heritage Site adjacent to Westminster Abbey. In 1943, the Under School was founded. The Great School and the Under School are registered separately as independent schools with the Department for Education.

Westminster School is registered with the Charity Commission under the name St Peter's College and charity number 312728. The Scholarship and Bursary Fund of the School is a charity registered under charity number 1004363. The names of the Governors and executive officers and the principal addresses are listed on pages 3 and 4. Particulars of the School's main professional advisers are given on page 4. The details of the subsidiary companies are shown on note 25 of the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Governing Documents comprise the Statutes and Regulations made under The Public Schools Act of 1868. The Statutes were last amended on 9 October 2013 and are currently under review.

Under the Public Schools Act 1868, any Governing Body established for Westminster School shall be a Body Corporate with perpetual succession and a common seal and empowered to hold land for the purposes of the School. Most of the School's property is owned either freehold or long leasehold. Under the Public Schools Act 1868, some properties would revert to the Church Commissioners in the event of the School moving out of the City of Westminster.

Governing Body

A single Governing Body is responsible for the Great School and the Under School. The Under School Committee considers matters specific to the preparatory school and reports to the Governing Body accordingly.

Under the Statutes of the School, the Governing Body shall consist of the following ex-officio members:

The Dean of Westminster,
The Dean of Christ Church, Oxford,
The Master of Trinity College, Cambridge,

and of the following elected members:

two persons to be appointed by the Dean and Chapter of Westminster,
not less than three and not more than twenty members (or such greater number as the
Governing Body shall from time to time determine) to be elected by the Governing Body,
one member to be nominated by the Teaching Staff of the Great School.

Elected Governors are appointed to serve for five years and are then eligible for re-election. The Governors have professional indemnity and directors' and officers' liability insurance cover of £5m within the School's insurance cover.

Recruitment and training of Governors

Apart from members appointed ex officio or otherwise elected by the various bodies named, new members are proposed by the Nominations Committee for election by the Governing Body. The Nominations Committee was constituted in September 2019, the Chairman's Committee, which all previously carried out this role, was disbanded in March 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Recruitment and training of Governors (continued)

Recommendations of new governors are supported by written curriculum vitae and a meeting between prospective governors, the Nominations Committee and the Head Master so as to ensure a balance on the Governing Body of appropriate knowledge, skills and experience. Prior to joining, new Governors undergo an enhanced DBS check to confirm their suitability for the role under the School's Safeguarding Policy. On joining, new Governors are briefed by the Chair, the Head Master and Senior Management teams and provided with background documentation about the School. In addition they are given a full Child Protection brief by the Designated Safeguarding Lead at the Great School and as required, at the Under School. General training, which is available through the Association of Governing Bodies of Independent Schools (AGBIS), is offered to governors and is attended as commitments allow. In addition, training in specific Governance matters is provided regularly to the whole Governing Body at one of their annual meetings. Finally, the Governor with special responsibility for Safeguarding undergoes special training for this role.

The trustees are aware of The Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The School has reviewed its current governance arrangements against the principles within the code and is in the process of updating its governance arrangements with a view to completion early in 2021.

Organisational management

The Governors, as the charity trustees, are legally responsible for the overall management and control of both the Great School and the Under School and meet in full session at least three times a year. The Governing Body delegates responsibilities to the following Committees, full membership of which is indicated on page 3. Some committees have co-opted members to ensure that additional expert advice is available to Governors on these committees.

- The Education Committee meets before the Governing Body to scrutinise Academic, Pastoral, Co-Curricular and Outreach matters. It also has Governors to oversee Safeguarding, Boarding and SEND policy and procedures and for whom appropriate training in these areas is provided.
- The Finance & General Purposes Committee meets before the Governing Body, focuses on financial matters and in particular, makes recommendations concerning approval of the annual statutory financial statements and the annual budget, investment activity, Estates development, Archives, Development Board and Health & Safety and it also maintains the Risk Register.
- The Nominations Committee meets at least twice a year to discuss committee appointments and make recommendations, as well as recommending potential new governors for appointment to the Governing Body.
- The Overseas Committee meets as required to discuss potential opportunities in the international school arena and oversees development plans for the Governing Body and directors of the trading subsidiary, Floreat Overseas Holdings Limited, to consider.
- The Under School Committee meets every term and considers all matters specific to the operation of the Under School and makes recommendations to the Governing Body.
- The Estates Sub-Committee meets every term and considers all matters relating to the Schools' property. Their advice is coordinated for the Governing Body by the Finance & General Purposes Committee (F&GP).
- The Investment Sub-Committee meets at least twice a year to monitor the performance of the investment managers and make recommendations on investment strategy. Their advice is coordinated for the Governing Body by the Finance & General Purposes Committee.
- The Archives Sub-Committee meets twice each year to consider matters relating to the School's Collection including proposed purchases and sales, oral and written history of the School, document management and data protection. Their advice is coordinated for the Governing Body by the F&GP Committee.
- The Westminster School Retirement Benefits Scheme Board of Trustees meets formally at least once each year to exercise their trusteeship of the School's Defined Benefit pension scheme for Administration and Support staff.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management (continued)

The day to day running of each school is delegated to the Head Master and the Master of the Under School respectively, supported by their senior management teams including the Under Master and Deputy Master, the Bursar, the Deputy Heads, the Assistant Masters, the Directors of Teaching and Learning and Head of the Upper School. The Head Master, the Master, the Under Master and the Bursar attend meetings of the Governing Body and its Committees. Members of both Schools' senior management teams attend some or all of the meetings as requested by Governors and together this group are the key management personnel.

Remuneration policy is set by the Governing Body with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. Remuneration is reviewed annually, including reference to independent benchmarking of other peer schools to ensure that the School remains competitive. The Teaching Staff and the Admin and Support Staff Consultation Sub-Committees each meet at least once a year and enable discussions to be held and information shared with staff representatives on matters to do with terms and conditions, in compliance with the School's statutory obligations for informing and consulting with employees.

The School aims to recruit the best teachers possible. Delivery of the School's charitable object and aim is primarily dependent on them, and therefore staff costs are the largest single element of charitable expenditure.

Group structure

Notwithstanding that the endowed Scholarship and Bursary Fund has a separate charity registration, all activities are undertaken by the School (both Great School and Under School) as a single entity (the "parent charity"). The School established a subsidiary company, Floreat Enterprises Limited, in August 2012, but this company has remained dormant. The School established a trading subsidiary company, Floreat Overseas Holdings Limited (FOHL), in October 2016 for the purposes of developing overseas educational opportunities and offering education consultancy services overseas. The School established a charitable company, the Ben Jonson Foundation, in March 2019 in order to set up an endowment for future funding of bursaries. The parent charity, Floreat Enterprises Ltd, FOHL and the Ben Jonson Foundation comprise the Group. The financial results and activities of FOHL and Ben Jonson Foundation have been consolidated in these Group financial statements and further details are shown in note 25.

Risk management

The Governing Body is responsible for the management of risks faced by both Schools. Detailed considerations of risk are delegated to the Finance & General Purposes Committee and to the Education Committee and, where risks are identified, they are documented and assessed against the background of the existing control environment and, if necessary, recommendations are made to establish additional controls. The School considers its major risks, identified and documented on its detailed Risk Register, to be as follows:

- incidence of a pandemic and planning the Schools' response thereto. The governors set up a Crisis Management Group to address the issues that emerged on Covid-19 on a day-by-day basis. The Schools are following a set of Standard Operating Procedures that follow the Government guidelines on the pandemic.
- the School's reputation could be damaged through a serious or major incident
- a change in Government policy that is inimical to the existence or mode of operation of the independent schools' sector or to the School specifically
- an act of terrorism or major act of violence perpetrated in or adjacent to the School could severely disrupt the School's operations or harm pupils and staff welfare, due to where it is sited and its high profile
- a failure of the School's IT system or cyber attack would seriously affect its ability to operate

The level and breadth of activity at the School are impressive and risks associated with all activities are minimised by thorough planning and risk assessment as well as having appropriate training and policies in place. A formal review of the risks facing both Schools, and the effectiveness of the plans and strategies for managing all identified major risks, is undertaken termly by the main committees and formally by the Governing Body on an annual basis. The Governing Body is satisfied that, through the risk management processes established for the School, all material risks have been identified and are adequately managed and mitigated including, where appropriate, transferred through the School's insurance program. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES

Charitable object

Westminster School was first established as a public boarding school for young persons. The current aims of the School encompass this object and have been developed over a number of years to include girls, both boarding and day, and also day boys, and to meet the demands of modern society as described below.

Aims

The fundamental strategic aim is to ensure that Westminster (both Great School and Under School) maintains its pre-eminent academic standards in external public examinations and independent value-added criteria, with academic achievements being balanced by a strong emphasis on pupils' development pastorally and on their artistic, sporting and social skills.

As an independent boarding and day school, operating largely within a World Heritage Site, Westminster School aims to provide a broadly based primary and secondary education of the highest standard. The School provides - in both depth and breadth - academic development in many areas of the humanities, arts and sciences that involves pupils in our nation's culture and heritage, matching the best of the past with the excitement and challenge of the present and future. It also aims to provide excellence in sporting and extra-curricular activities, notably in art, music, drama and in wider social skills. It aspires to be a stable and enriching community which brings to everyday life a sense of the spirituality inherent in religion and its practice. It aims to encourage individuality and to develop talent wherever it may be found such that pupils can fulfil their full potential, build self-confidence and nurture a desire to serve or contribute to the wider community whether at home or abroad.

The School educates boys from the age of 7 to 13 at the Under School and from 13 to 18 at the Great School. Girls and boys aged between 16 and 18 are admitted for education in the Sixth Form. The Great School comprises six boarding houses and five day-houses with boarding facilities available for both boys and girls. Until age 13, the curriculum is directed in particular towards the Great School's Challenge, as well the demands of the Common Entrance (CE) Examination and other independent schools' scholarship examinations. In September 2018 the School decided that from September 2021 the 13+ entry to both schools will not be conditional upon passing the CE examination. For pupils aged 13 to 16, the curriculum is directed towards GCSEs and IGCSEs although study is not limited to the exams' curricula but ranges more broadly and deeply within each subject. For those aged between 16 and 18, the curriculum is directed towards Advanced Level and Cambridge Pre-U examinations in preparation for university entrance, supported by a broadening non-specialist programme of lectures and personal study.

Admission to the School is open to all applicants who are able to meet the examination and interview criteria devised to ascertain which applicants would benefit most from a Westminster education. A flexible structure of bursary provision up to 100% of the fees provides financial support to families which are unable to fund the School fees in whole or part from 11+ onwards. The School actively seeks out and encourages pupils who have the academic potential to benefit from a Westminster education, but whose financial circumstances would otherwise put the School out of their reach.

Objectives for the year

The year's objectives derive from the development plans for each of the Great School and Under School which were reviewed and endorsed by the Governing Body in 2016 and which covers the following five years. The Plans focussed on the School's academic, pastoral and boarding provision, pupil numbers, staff remuneration, public benefit and bursary provision, civic engagement, and estates' development.

In addition to the overriding objectives of maintaining the School's pre-eminent academic position and widening access to the School to the greatest extent possible, the principal objectives for the year were:

- to continue to collaborate with the Harris Federation on the Harris Westminster Sixth Form by providing academic support to department Heads and in curriculum development;
- to develop the Year 5 and Year 6 Academic Enrichment Programme (branded as PLATFORM) for 40 primary school pupils at Westminster Under School;
- to assess the effect on admissions following the decision that from September 2021 the 13+ entry to will not be conditional upon passing the CE examination;

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Objectives for the year (continued)

- to extend the 16+ PLATFORM programme;
- to pass successfully the external compliance inspection of the Great School (passed in November 2019);
- to raise funds for the Ben Jonson Foundation for the provision of bursary funded pupils;
- to complete the redevelopment of the Adrian Boulton building into a multi-use space;
- to identify, agree and prioritise future School re-development projects;
- through FOHL, support the School's development partner to set up its first School in China.

Achievements against the year's objectives

The specific objectives for the year were achieved in the following way:

- regular contact was maintained with the Harris Federation on the Harris Westminster Sixth Form by providing academic support to department Heads and in curriculum development. HWSF achieved excellent results from its fifth cohort of A level students who gained many places at Oxbridge and at Russell Group universities and with 49% of grades at A or better;
- Westminster's PLATFORM academic enrichment programme has been well attended with 40 invited pupils attending up to fourteen days throughout the year staffed by Under School teachers;
- the number of applicants for 11+ has increased significantly which primarily as a result of the 13+ place assurance;
- PLATFORM+ for 20 Year 10 students pilot began in January 2019 with an initial focus on sciences. In January 2020 a liberal arts and humanities branch was started with 20 more pupils giving a total of 40 pupils;
- The School set up the Ben Jonson Foundation in March 2019, an endowment fund for future bursary funding. The Foundation has secured £3.4m and a further £1m for the School Bursary fund (including pledges);
- work was completed in October 2019 on the redevelopment of the School's Adrian Boulton building;
- the Estates Sub-Committee has been set up in order to prioritise School re-development projects;
- through its subsidiary (FOHL) the School has supported the development of the first school of six schools in China which is due to open in 2021, the opening having been delayed by the impact of Covid-19.

Principal activities of the period

In 2019/20 the Great School provided education to 759 pupils (2018/19: 757) of whom 179 were boarders (2018/19: 181). The number of pupils educated at the Under School was 280 (2018/19: 270). As a result of its success in maintaining high academic standards combined with its location in central London, applications for places continued greatly to exceed available capacity by between 5:1 and 11:1 depending upon the point of entry.

Grant-making policy

The Governors are obliged under the Statutes to award eight academic scholarships each year on the basis of the Challenge at 13+ to boys and four academic scholarships each year at 16+ to girls. In addition, up to ten Music Scholarships may be awarded annually to pupils joining the Great School at 13+ and up to four at 16+ who demonstrate an exceptional ability following audition. Up to three Music Scholarships may also be awarded annually at 11+ in the Under School. In total, therefore, there are presently 56 academic and up to 38 Music Scholarships at the Great School, as well one organ scholar which is partly funded by Westminster Abbey, and 6 Music Scholarships at the Under School.

Where it is judged that the parents of an eligible pupil would not be able to pay some or all the fees, the Governing Body is determined that these pupils should not be denied the opportunity to come to Westminster, but should be given the necessary bursary support. A detailed financial assessment is made by the Bursar using a pro-forma recommended by the Independent Schools Council, with awards made by the Head Master and Master on the basis of need, as advised by the Bursar.

Grant-making policy (continued)

Bursaries may cover up to 100% of the core fee costs and essential additional expenses during a pupil's time from age 11. Subject to any particular conditions imposed by the original donors, awards of bursaries and other concessions are funded out of variety of sources both endowment and unrestricted funds as well as external sources. The School launched a major expansion to Bursary funding including a bursary campaign in October 2018. The funds raised amounted to £6.9m in total including pledges. The Ben Jonson Foundation an endowment fund established in March 2019 has not yet drawn down any grants. The School launched the George Herbert Fund (GHF) to assist those existing parents who have been affected by the pandemic and their ability to meet the School fees without significant hardship. Funds received to the end of June 2020 amounted to £433k and have been supplemented by cost savings passed on by the School of £588k as set out below; grants of £111k have been awarded for Election (summer) term 2020. It is anticipated that the demand on GHF will continue in the forthcoming financial year.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Group's net result for the year, across all funds, was a deficit of £549k (2018/19: a deficit of £1,601k), as set out in the Consolidated Statement of Financial Activities for the accounting period ended 30 June 2020, on page 19 and in note 25 for the subsidiary companies. The School's deficit was determined after:

	2020 (£k)	2019 (£k)
Taking into account:		
(decrease) in pension liability/asset	(1,416)	(252)
net gains/(losses) on investments	876	(466)
investment income net of charges	920	773
savings from job retention scheme	588	-
charitable donation income	2,551	1,467
and after charging:		
interest and similar charges	770	395
(gain)/loss on disposal of assets	(21)	1
depreciation	3,205	3,072
fee concessions	2,677	2,400
fee rebates for Election term	1,807	-

The overall operating surplus of the School, before gains and losses on investments and pension schemes, amounted to £67k (2018/19: a loss of £906k). The movement on the result compared to the prior year arose from donations being higher this year. The financial effect of the pandemic has been net neutral overall.

The School's net result can be broken down by each of the funds as follows:

	2020 (£k)	2019 (£k)
Unrestricted funds	(3,329)	(1,367)
Restricted funds	319	(17)
Endowment funds	<u>2,461</u>	<u>(217)</u>
Total funds	<u>(549)</u>	<u>(1,601)</u>

The loss on the unrestricted fund of £3,329k (2018/19: £1,367k) arose mainly from the operating loss of £1,837k (2018/19: £1,977k), investment gains £nil (2018/19: £839k – investment property revaluation) and pension scheme actuarial losses £1,492k due to changes in liability assumptions (2018/19: £229k).

The School generated cash from all sources amounting to £448k (2018/19: expended £1,085k). Notwithstanding the loss, operating activities provided a cash surplus of £2,504k (2018/19: £1,493k) together with cash provided by financing of £16,173k (loan funds of £15,000k, new endowment receipts of £1,333k less £160k for advance fee utilisation) (2018/19: £259k). These cash inflows are offset by the net cash outflow on investing activities of £3,229k (2018/19: £2,837k). The investing cash outflow comprised principally capital expenditure of £2,019k (2018/19: £3,106k); capital expenditure included the final phase of the major rebuilding works of the Adrian Boulton building (£1,024k), general property works (£289k – including plant room & lab refurbishments, fire alarm upgrades and boiler replacements), IT equipment (£550k) and other furniture, vehicles and equipment lower value items (£157k).

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD (continued)

The School's debt was re-financed in the previous year with a £30m, 40 year fixed rate debt placed with a major UK pension fund in July 2017. The bank loan and related interest rate swap were repaid in July 2017 (£15m). The second tranche of £15m was received in July 2019.

The Governors consider that the financial outcome from the group's activities is at an acceptable level in the context of its overall financial resources and liquidity.

Related party disclosures are set out in Note 23, Post Balance Sheet events in Note 24 and subsidiary entity details in Note 25 to the Financial Statements.

Reserves policy

The School's reserves policy is to maintain sufficient unrestricted reserves to meet its short-term financial obligations but does not set a target reserves level. The School relies on the investments comprised within the expendable endowment (valued at £56.8m at the year-end; last year £56.4m) as adequate cover for the School's longer-term capital expenditure commitments and any longer-term financial obligations.

The School's total reserves of £135.7m at the year-end (2018/19: £136.3m) comprised:

	This year (£m)	Last year (£m)
Unrestricted (income) funds	64.1	68.1
Restricted funds (unspent restricted income)	1.1	0.8
Endowment (capital) funds	<u>70.5</u>	<u>67.4</u>
Total funds	<u>£135.7m</u>	<u>£136.3m</u>

Unrestricted income funds are comprised of fixed asset funds of £64.8m and a pension deficit of £0.7m leaving no net free reserves at the year-end (2018/19: nil). However, the School's financial viability does not depend on these income reserves; it is secured by the substantial general purpose expendable endowment investments as above.

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long-term impact on the charity, in common with other businesses, is unknown. The School is closely following the advice of the government on a day-by-day basis to ensure the safety and wellbeing of the whole School community. As a result the School reopened in September 2020 at the start of the new term after implementing measures to ensure the safety of staff, visitors and pupils. The Governors set up a Crisis Management Group that met regularly over the spring and summer to address the emerging issues and the School's response and develop action plans and standard operating procedures to continue operations.

The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. There are currently significant cash balances as well as a substantial investment portfolio should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

Investment policy and objectives

The Governing Body has appointed the Investment Committee to oversee the management of the School's investments allocated over a range of asset classes including investment property and an investment portfolio comprising equities, fixed interest bonds, gold, multi asset funds, alternative investments and cash. The investment policy is to diversify the portfolios between managers with different investment approaches and different levels of investment risk, whilst managing separately the School's investment property portfolio. The investment objective is to provide returns to generate a sustainable income stream. The School's investment time horizon is very long term.

In relation to the portfolios of securities, the investment managers responsible for the substantial majority of the School's investment funds have been given absolute total return targets equivalent to 3% per annum over RPI inflation, after charges, on a rolling five-year basis. The measurement of returns against these targets began on 1 January 2013.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD (continued)

Investment policy and objectives (continued)

Investment properties are let on the open market at market rates to obtain the optimal rental return, which is subject to periodic review in accordance with the terms of the leases. Other investment properties held by the Scholarship and Bursary Fund and the Trusts Fund are internally rented to the School for operational use at market rates and the rental agreements were renewed and amended in May 2017 (reviewed every 5 years).

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD

Investment performance against target

As at 30 June 2020 it was 90 months since the RPI + 3% target was set. The five-year rolling annualised total returns achieved by the investment managers overall was 4.8%, which was below the target of 5.5% measured over the same period. The return for the year to 30 June 2020 was a surplus of 5.8%, despite worsening market returns due to the pandemic. The investment properties let on the open market achieved 2.8% income return, net of management charges.

Operational performance of the School

Examinations in June 2020 were cancelled due to COVID-19 and pupils were initially awarded grades according to exam board modelling. After significant public concern these grades were replaced with the Centre Assessment Grades provided by the School, in line with Ofqual's guidance. A number of pupils are taking their exams in the autumn exam series so final results for this cohort are not yet available.

Of the 209 pupils leaving the School in 2020, 138 were accepted into and chose to take up their firm UCAS choice of university. A further 2 obtained their first choices to a non-university destination (Art Foundation courses). 4 pupils went to their UCAS insurance choice and 4 pupils gained places through clearing. Of those not going on to further study in the UK, 24 pupils took up places at universities abroad and 37 chose to take a gap year and are applying through UCAS for 2021 entry.

In addition to sending pupils to the Great School, the Under School ensured that all pupils were able to take up their first choice places at other senior schools. Of particular note, the Under School secured the 5th and 7th placed Queen's Scholarships at Westminster School.

Apart from aiming to provide the highest level of education, a complementary objective has been to widen access for pupils whose parents' financial circumstances would otherwise preclude them. The availability of bursaries at the School has been communicated more widely to feeder schools in both the maintained and independent sectors, and plans to raise funds to finance increased bursary provision have been successful as described below. Once again this year, no child who gained a place at the School on their own merit was unable to take up their place for want of adequate financial support.

Fundraising performance and Code of Practice

The Development Office continues to administer an active alumni programme, to steward present benefactors and to encourage future giving through the cultivation of individual donors, trusts and foundations. Donations totalled £2.6m (2018-19: £1.5m) comprised mainly of endowment funds of £1.7m (2018-19: £1.2m), inclusive of Gift Aid recovery, were received through the School's fundraising programme aimed principally at bursary and hardship funding. Of the above endowment funds £1.4m were received for the Ben Jonson Foundation during the year (2018/19: £0.7m). Donations of £0.4m were received for the George Herbert Fund for hardship.

The School registered with the Fundraising Regulator in 2017, displaying the badge to demonstrate adherence to the Code. The School has reviewed and follows the new Code of Fundraising Practice which came into effect on 1 October 2019. The School also follows the Charity Commission's guidance for charity trustees about fund raising from the public. The School did not carry out a telephone campaign during the year and has no plans to carry out another for the foreseeable future. The School published its Annual Giving Report for 2018-19 in November 2019. The School has received no complaints and works sensitively to protect vulnerable people and members of the public to ensure that no undue pressure is placed on a person to give money or other property.

Fundraising performance and Code of Practice (continued)

The Development Board meets to discuss development office opportunities and meets at least twice a year. Lord Neuberger* is Chair of the Development Board together with Mr H Bruhn, Mr W Charnley, Ms T Chryssikou, Mr J Pfeffer & Mrs S Teitelbaum serve on the Development Board, together with a number of governors.

PUBLIC BENEFIT AND COMMUNITY ENGAGEMENT

The School continues to contribute in a number of ways to the public benefit whilst meeting its charitable object. The Governing Body has due regard to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Widening access and bursaries (continued)

In 2019/20, a total of 151 pupils in both Schools, entry to which is based solely on academic performance and interview, benefited from academic/music scholarships and/or bursaries. Excluding concessions to 7 children of the teaching staff, 53 bursaries were awarded in 2019/20 which were financed by the School or by benefactors, such as the Westminster School Society, or individual donors, most of whom have long-standing connections to the School. Of those receiving bursary support, 41 pupils received 100% remission, 8 received between 50% and 100% and 4 received up to 50%.

In addition the School continued to work with charitable educational trusts, individuals and other organisations with whom it has close links in order to gain access to their charitable funds for pupils; this was then matched or further supplemented as necessary by the School from its own bursary funds. Excluding staff concessions, 4.1% of total fee income (£1.17m) was applied toward bursaries (of which £0.22m was funded from external sources) and 3.8% of fee income (£1.07m), for scholarships. The Deputy Head (Boarding and Educational Partnerships) is strengthening existing relationships to seek out additional collaborations with local organisations from which pupils may benefit from the School's education.

Collaboration with Maintained Schools

- Sharing knowledge, skills, expertise and experience

The School continues to work closely with Harris Westminster Sixth Form (HWSF), a sixth-form free school based in Westminster. The School assists with development of HWSF staff both through pedagogical discussions and with a programme for HWSF staff to observe classroom practice regularly and to attend departmental meetings at Westminster School. Staff from Westminster have also delivered INSET sessions at HWSF and supported HWSF in the university application process. Of the fourth cohort of leavers from HWSF in July 2019, 26 secured places at Oxford and Cambridge and many others went on to top universities. From September 2018 the School has been assisting at HWSF in Theology, French, Spanish and Geography. The Senior Management teams continue to meet regularly to monitor the collaboration between both schools and to reflect upon pedagogical themes. The Head Master meets regularly with the Principal of HWSF. One governor is a member and Chair of the Governing Body of HWSF, and the Head Master of Westminster School is an ex-officio governor. The School's large civic engagement programme involves 250 pupils engaging in volunteering. Many of the placements are in primary schools where our pupils are helping out as classroom assistants and working in breakfast and after school clubs. Many of our pupil volunteers help out with the elderly and some have placements in hospitals. Pupils also act as academic peer mentors to a number of other pupils of similar age in a number of youth organisations.

- Lessons and educational events

The School has continued to offer access to its teaching for pupils in neighbouring schools in the maintained sector. For example, in 2018/19 21 pupils from HWSF and 7 from Grey Coat Hospital School study Latin, German, History of Art, Drama and Music A-levels and the Cambridge Pre U alongside Westminster students at no cost to their parents. HWSF pupils also attend some after school lectures from visiting speakers, and pupils from a range of local academies, schools and sixth forms also attended lectures in the programme run in partnership with Imperial College. We are also inviting HWSF and GCH pupils to take part in some of our careers events.

- University preparation

The School offered university preparation classes for over 20 pupils from local maintained schools (HWSF, Grey Coat Hospital and Pimlico Academy), on a regular basis and at no cost.

PUBLIC BENEFIT AND COMMUNITY ENGAGEMENT (continued)

Collaboration with Maintained Schools (continued)

- Linacre Trust

This year's 6th Linacre Residential Summer School was hosted by the School in Weston's and two boarding houses in July 2019; this involved hosting 30 students from maintained schools in the North of England. However, due to the pandemic this did not take place in summer 2020. The students typically come from schools in the bottom 20% in the country for access to elite universities and all were from schools which are in the top 10% in the UK index of multiple deprivation. Students attended academic lessons in the morning given by teachers from Westminster and other schools, as well as university academic staff. This Westminster-hosted summer school forms part of the broader Reach Higher Programme offered by The Linacre Institute. To date over 80% of Linacre students have gained offers from one of the 12 most selective universities in the UK, including 33% at Oxford or Cambridge. An independent report by UCAS showed that Linacre is transforming students' university destinations, with their students significantly more likely to attend top universities compared to those with similar socio-economic backgrounds and similar GCSE results.

- Westminster PLATFORM

The Westminster PLATFORM is continuing the development of the academic outreach programme involving 40 Year 5 primary school pupils from around 30 schools in South London. The boys and girls have been identified by their Head teachers as having high academic potential. They attend ten Saturday mornings of Maths and English lessons and other enrichment classes held at Westminster Under School which are delivered by Under School and Great School teachers and the programme is overseen by the Director of Outreach. The programme stretches across a full year. Some pupils will sit the Under School 11+ entrance exam and, if successful, will receive a bursary according to need.

Three PLATFORM pupils won places at the Under School from September 2018 two of whom receive full bursaries.

Platform + was started as a pilot in January 2019 in partnership with Generating Genius. This has a similar outline to Platform designed for Year 10 pupils in the maintained sector, 20 pupils from over ten maintained schools and academies have been part of the programme which has been targeted towards the STEM subjects. In January 2020 a liberal arts and humanities branch was started with 20 more pupils giving a total of 40 pupils. Lessons are all taught by Westminster staff in their free periods. Two full days in early July have also been set aside for some more intense teaching and these sessions have replaced the Westminster Summer School. This year our Platform + programme was delivered online from lockdown in March 2020. It is worth noting that three pupils from last year's programme joined the sixth form and are receiving full bursaries.

- Use of facilities

The School's facilities continued to be used by a range of external participants. Two local primary schools used the School playing fields at Vincent Square for their sports days at no cost and two used the Sports Centre for classes each week at no cost (slots were offered to 9 local primary schools).

The School hosted regular science afternoons for 30 primary school children in years 5/6 from our local primary schools. The School also hosted a full day of workshops where up to 100 primary school pupils take part and work alongside our Year 11 pupils.

The School let several of its facilities, for example the Music Centre, School Hall, Sports Centre and playing fields to external users and the revenue was applied towards bursaries. Although lettings do not directly support the School's charitable object, they generate funds to permit the School to widen access in support of activities to the public benefit.

PUBLIC BENEFIT AND COMMUNITY ENGAGEMENT (continued)

Collaboration with Maintained Schools (continued)

Westminster Phab

July 2019 year saw the forty third Westminster Phab (Physically Handicapped and Able Bodied) week which is aligned to the UK national Phab www.phab.org.uk (Charity number 283931). Unfortunately due to the pandemic, it was not possible to host this event in July 2020. Approximately 40 pupils from the Sixth Form and Remove volunteered to live in a boarding house alongside a number of young men and women, all of whom are physically and/or mentally disadvantaged. Many are confined to wheelchairs whilst a few need help in virtually every area of their daily lives. For some of the guests, their carers and families, the week at Westminster represents the only holiday in the year and provides an opportunity to meet new people, try different activities, learn new skills (e.g. art, music, filming, drama and dance), and explore London.

For the pupils it is an enormously enriching experience which broadens their understanding of those with disabilities and of their own abilities to make a meaningful contribution to the lives of the less fortunate. The week is free to both hosts and guests but, to sustain this, funds are raised throughout the year at events such as the "September Saturday" charity day and in other initiatives from the pupils.

Participation in charitable work and volunteers

Westminster School supported numerous charitable activities benefiting old and young people in London and further afield. The greatly enhanced civic engagement and volunteering programmes remain an essential part of the wider curriculum through which pupils engage with the Westminster community and learn valuable lessons in the process. Last year pupils were engaged in volunteering activities with primary schools, hospital foundations, youth organisations, homes for the elderly and a number of other local organisations. The School now raises money for the organisations which are charities and has developed some worthwhile and mutually dependent relationships. To supplement the School's growing number of activities, in excess of £100k was raised by pupils, staff and parents for charitable causes, including £57k from the Under School. Former pupils from Westminster School and parents have volunteered in fundraising activities and cultural activities during the year, which has been much appreciated, as has the time contributed by those co-opted to organising Committees.

FUTURE PLANS

The Development Plan adopted by the Governing Body in March 2016 has been refreshed in November 2018. In addition to the overriding objectives of maintaining the School's pre-eminent academic position and widening access to the School to the greatest extent possible, the following key objectives have been set for the coming year:

- to continue to manage actively the response to the emerging issues from the COVID-19 pandemic following closure of the School's site on 17th March 2020 and the transfer to online learning on 18th March 2020 for the remainder of the Lent term 2020 and into the Election term 2020 and beyond;
- to continue to collaborate with the Harris Federation on the Harris Westminster Sixth Form by providing academic support to department Heads and in curriculum development;
- to develop the Year 5 and Year 6 Academic Enrichment Programme (re-branded as PLATFORM) for 40 primary school pupils at Westminster Under School;
- to assess the effect on admissions following the decision of the School that from September 2021 the 13+ entry to the School will not be conditional upon passing the CE examination;
- to expand the 16+ PLATFORM programme including liberal arts which commenced in January 2020;
- to pass successfully the external compliance inspection of the Under School expected in Lent Term 2021;
- to continue to raise funds for the Ben Jonson Foundation for the provision of bursary funded pupils;
- to progress and finalise projects, review plans and then prioritise future School re-development projects;
- through the trading subsidiary FOHL, progress the curriculum development, recruitment and advice on building works to support the School's Hong Kong based partner in the development of its first school in Chengdu, China, planned to open next year. This is the first of six proposed schools in China.

AUDITORS

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors, as the charity trustees, are responsible for preparing the Annual Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the Governing Body at its meeting on 3 December 2020 and signed on its behalf by:



Mark Batten
Executive Deputy Chair of the Governing Body
3 December 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WESTMINSTER SCHOOL

Opinion

We have audited the financial statements of Westminster School for the year ended 30 June 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheets, the Consolidated Statement of Cash Flows 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 the 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 charity's affairs as at 30 June 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 Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

**INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF WESTMINSTER SCHOOL
(continued)**

Matters on which we are required to report by exception (continued)

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Report

This report is made solely to the parent charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Crowe U.K. LLP

Statutory auditor
London

16 December 2020

Crowe U.K. LLP is eligible for appointment as auditors of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2016.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2020

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2020	Total Funds 2019
	Notes	£'000	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:						
<i>Charitable activities</i>						
School Fees	2	26,267	-	-	26,267	26,571
Other educational income	4	1,221	-	-	1,221	1,719
Other trading activities	4	90	-	-	90	130
<i>Investments</i>	3	724	513	-	1,237	1,124
<i>Donations</i>		233	603	1,714	2,550	1,467
<i>Trading income</i>	4	119	-	-	119	126
<i>Other</i>	4	645	-	2	647	104
Total Incoming Resources		29,299	1,116	1,716	32,131	31,241
EXPENDITURE ON:						
<i>Raising funds</i>						
Fund raising		277	-	-	277	311
Trading costs		2	-	-	2	25
Finance costs of Advance Fee Scheme		27	-	-	27	30
Bank interest and other finance costs		770	-	-	770	395
Investment management		207	-	110	317	351
Total deductible costs	7	1,283	-	110	1,393	1,112
<i>Charitable activities</i>						
Schools and grant making	7	29,853	797	21	30,671	31,035
Total Expenditure	7	31,136	797	131	32,064	32,147
Net income/(expenditure) before gains and losses		(1,837)	319	1,585	67	(906)
Gains / (Losses) on investments		-	-	876	876	(466)
NET INCOME/(EXPENDITURE)		(1,837)	319	2,461	943	(1,372)
<i>Pension Scheme actuarial (losses)</i>		(1,492)	-	-	(1,492)	(229)
NET MOVEMENT IN FUNDS FOR YEAR		(3,329)	319	2,461	(549)	(1,601)
Fund balances at start of year		67,407	757	68,099	136,263	137,864
FUND BALANCES at end of year	15	64,078	1,076	70,560	135,714	136,263

There are no recognised gains or losses other than those included above. All activities are continuing.

The notes on pages 22 to 40 form part of these accounts.

CONSOLIDATED AND SCHOOL BALANCE SHEETS AS AT 30 JUNE 2020

		Group		School	
		2020	2019	2020	2019
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	8	88,093	89,278	88,093	89,278
Investment assets	9	59,408	57,299	59,383	57,299
Cash held for investment	-	1,776	1,689	1,776	1,689
		<u>149,277</u>	<u>148,266</u>	<u>149,252</u>	<u>148,266</u>
CURRENT ASSETS					
Stock		29	27	29	27
Debtors	10	1,812	1,296	2,441	1,828
Cash	-	21,760	6,312	19,472	6,090
		<u>23,601</u>	<u>7,635</u>	<u>21,942</u>	<u>7,945</u>
CREDITORS: due within one year	12	(5,802)	(4,560)	(5,793)	(5,288)
NET CURRENT ASSETS		17,799	3,075	16,149	2,657
TOTAL ASSETS LESS CURRENT LIABILITIES		167,076	151,341	165,401	150,923
CREDITORS: due after more than one year	13	(30,675)	(15,807)	(30,675)	(15,807)
TOTAL NET ASSETS before pension scheme		136,401	135,534	134,726	135,116
Pension Scheme funding (deficit)/surplus	22	(687)	729	(687)	729
TOTAL NET ASSETS after pension scheme		135,714	136,263	134,039	135,845
FINANCED BY:					
Endowment Funds					
Permanent	16	13,717	11,650	13,717	11,650
Expendable	16	56,843	56,449	54,776	55,715
Restricted Funds	17	1,076	757	1,076	757
Unrestricted Funds					
Designated and general	18	64,765	66,678	65,157	66,994
Pension Reserve	18	(687)	729	(687)	729
TOTAL FUNDS		135,714	136,263	134,039	135,845

The net result for the financial year dealt with in the financial statement of the parent charity was a deficit of £1,807k (2019: a deficit of £2,186k).

Approved on behalf of the Governing Body on 3 December 2020 by:



M C Batten -Executive Deputy Chair and Governor



Mrs I R De - Governor

The notes on pages 22 to 40 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
NET CASH INFLOW FROM OPERATIONS					
Net cash provided by operating activities	19		2,504		1,493
CASH FLOWS FROM INVESTING ACTIVITIES:					
Bank and money market interest received		136		66	
Other income from investments		1,286		967	
Investment managers' charges		(207)		(203)	
Interest paid		(770)		(395)	
Amounts accrued to advance fees		(27)		(30)	
Payment for tangible fixed assets		(2,019)		(3,106)	
Proceeds from sale of tangible fixed assets		21		12	
Payment for investments including properties		(19,054)		(9,808)	
Proceeds from sale of investments		17,492		9,415	
Movement in cash held for investment		(87)		245	
NET CASH (USED IN) INVESTING ACTIVITIES			(3,229)		(2,837)
CASH FLOW FROM FINANCING ACTIVITIES:					
New endowments		1,333		734	
New loan notes		15,000		-	
Receipts from new advance fee contracts		838		703	
Amounts accrued in respect of advance fees		27		30	
Advance fees utilised and repaid		(1,025)		(1,208)	
NET CASH PROVIDED BY FINANCING ACTIVITIES			16,173		259
INCREASE / (DECREASE) IN CASH IN THE YEAR	20		15,448		(1,085)
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT					
Increase / (decrease) in cash in the year		15,448		(1,085)	
Cash (inflow) from new loan		(15,000)		-	
Change in net debt	20		448		(1,085)
Net (debt) at start of year			(8,688)		(7,603)
Net (debt) at end of year	20		(8,240)		(8,688)

The notes on pages 22 to 40 form part of these financial statements.

Charity law requires separate administration of the cash flows of endowed and restricted funds of the charity. This constraint has not adversely affected consolidated cash flows as included above.

1 STATEMENT OF ACCOUNTING POLICIES

Basis of Preparation

The consolidated financial statements have been prepared in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Statement of Recommended Practice on Accounting and Reporting applicable to charities preparing their accounts in accordance with FRS 102 ("The Charities SORP 2015"). The School is a Public Benefit Entity registered as a charity in England and Wales on 8th July 1964 (charity number 312728 as St Peter's College (otherwise known as Westminster School)).

The financial statements have been prepared to give a 'true and fair' view and departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved preparing accounts in accordance with FRS 102 rather than SORP 2005 which has since been withdrawn. The financial statements consolidate those of the main School Charity and its wholly owned trading subsidiary company Floreat Overseas Holdings Limited (company number 10421836) with its registered office at Little Dean's Yard, London, SW1P 3PF which has the same year end date. The financial statements also consolidate the results of the Ben Jonson Foundation, a charitable incorporated organisation (charity number 1182556) set up in March 2019, with its registered office at Little Dean's Yard, London, SW1P 3PF which has the same year end date.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of certain assets including investment properties and other investments. The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long-term impact on the charity, in common with other businesses, is unknown. The report of the governors explains the current actions taken by the charity in response to this crisis. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for pupils as well as employment of staff. There are currently significant cash balances as well as a substantial investment portfolio should additional liquidity be required through this period of uncertainty. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

In application of the accounting policies, Governors are required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised in either the period of revision and/or in future periods if relevant. 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. The financial statements relate to the Accounting Period, a time span commencing the day after the last Balance Sheet date and ending on the present Balance Sheet date. The particular accounting policies adopted and applied consistently are described below:

Fees and similar income

School fees receivable are stated after deducting bursaries, scholarships and other concessions granted by the School, but include contributions specifically received from external donors as well as from internal Restricted Funds established to support bursaries, scholarships and other grants. Monies received in advance of education to be provided in future periods under the Advance Fees Scheme are held as interest-bearing liabilities until either taken as income in the term when used or else refunded in accordance with the agreements. Other income is accounted for in the period in which the service is provided.

Investment Income

Interest on bank balances and fixed interest securities is accounted for on the accruals basis. Credit is only taken for dividend income and similar distributions when received.

Donations and legacies

Donations and legacies are accounted for when receipt is probable, can be measured reliably and entitlement can be demonstrated. Donations received for the general purpose of the School are credited to unrestricted funds. Donations subject to specific wishes of the donor, which are legally binding on the Governing Body, are credited to the relevant restricted fund or, where the donation is required to be held as capital, to endowed funds.

Donations received to support bursaries are credited as fee income in the period to which the relevant bursary relates.

Resources expended

Expenditure is accounted for on an accruals basis, discounted to present value for longer-term liabilities. The irrecoverable element of VAT is included with the item of expense to which it relates. All costs are directly allocated to the applicable category of charitable expenditure.

Governance costs comprise the costs of running the charity including external audit, any legal advice for the Governing Body and the costs of complying with constitutional and statutory requirements such as meetings of the Governing Body and its Committees and otherwise satisfying public accountability.

1 STATEMENT OF ACCOUNTING POLICIES (continued)**Pension Schemes**

For teaching staff, who are members of the defined benefit scheme managed by the Teachers' Pensions, contributions are paid at the rate set by the Government. This is a multi-employer scheme, which does not ascribe specific assets or liabilities to individual schools, and the cost is therefore accounted for as a defined contribution scheme.

A separate Defined Benefit Scheme was established for administration and support staff in 1979 and closed to new entrants on 31 December 2010. It is administered by Aviva and both the School and employees pay into this scheme at rates recommended by the appointed actuary. This scheme is being accounted for under FRS 102, with the annually calculated notional surplus or deficit on the funding of the scheme shown in the financial statements as a designated fund entitled "Pensions Reserve", which supplements or reduces Unrestricted Funds in the Balance Sheet.

For administration and support staff joining from 1 January 2011, the School established a defined contribution scheme under which the School contributes at double the rate contributed by the employee up to a maximum contribution by the School of 15% of pensionable salary. This scheme is accounted for under FRS 102 as a defined contribution scheme.

Fixed Assets*Capitalisation*

Land and buildings forming the heart of the School's estate were vested in the Governing Body in fee simple by virtue of Section 20 of the Public Schools Act 1868. Acquisitions of land and buildings are accounted for at cost, subject to depreciation as described below. Improvements, extensions and conversions of property that increase service capacity are capitalised at cost. Maintenance expenditure is charged as an expense in the year in which it occurs. Expenditure on new or existing furniture and equipment is capitalised only where it increases service capacity, extends the asset's useful life, leads to a substantial improvement in operating costs or relates to a major overhaul of a fully depreciated asset. Expenditure of less than £3,000 would not normally qualify to be treated as a capital asset.

Westminster School has important assets comprising paintings, books, manuscripts and artefacts whose intrinsic value is bound up with the School's history. Most of these are considered by the Governors to be irreplaceable originals to which no reliable value can be attributed and accordingly these assets have not been capitalised in the financial statements. Paintings are hung throughout the School to enhance the ambience of the collegiate environment whilst books and manuscripts and other artefacts are available in the library or in the archive room for consultation or research. The Governors take the view that disclosure of particulars of these heritage assets would be prejudicial to the School and they have therefore decided that such details should not be provided here.

Depreciation and Amortisation

Although the School's buildings are carefully maintained with the object of continually extending their working lives, the Governing Body believes they should be depreciated to reflect the cost of using them. Depreciation on other assets is similarly provided so as to write off the cost of those assets less estimated residual value based on current market prices, in equal annual instalments over their estimated useful lives as follows:

Freehold buildings, including improvements and extensions	50 years
Leasehold buildings	50 years or lease term if shorter
Furniture and equipment	3 to 20 years
Motor vehicles	4 years

Investments

Investments are stated in the financial statements at their mid-market value at the balance sheet date. Transaction-based costs are treated as incidental costs of acquisition or disposal, whilst asset management fees are charged against the relevant Revenue Fund in the Statement of Financial Activities. Realised gains or losses from investment disposals (sale proceeds less opening market value) and unrealised gains and losses arising from the change in value of those investments still held are disclosed in aggregate in the Statement of Financial Activities.

Stock

Stock is valued at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

1 STATEMENT OF ACCOUNTING POLICIES (continued)**Investment property**

Investment properties are revalued at least every five years using a professional valuation and after obtaining advice as to any possible material movements in between individual valuations. If there is evidence of a material movement investment properties are revalued as this arises.

Cash and Net Debt

Cash included in current assets, the movement of which is shown in the Statement of Cash Flows, is defined as balances held in bank accounts operated by the School, including any short-term money market deposits made transitionally for tactical reasons, and petty cash balances.

Net debt comprises all loan balances irrespective of repayment date less cash and fixed term deposits included within current assets.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on this basis.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments and interest rate swaps, if held, which are carried at fair value. Financial assets held at amortised cost comprise cash at bank, trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except, social security and other taxes and deferred income.

2 SCHOOL FEES

	2020	2019
	£'000	£'000
The Schools' fee income comprised:		
Gross fees	28,287	28,284
Less: Total bursaries, scholarships and other concessions	(2,677)	(2,400)
	<u>25,610</u>	<u>25,884</u>
Add back:		
External contributions to bursaries	169	206
Bursaries and scholarships paid for by Restricted Funds	488	481
	<u>26,267</u>	<u>26,571</u>

Gross fees in 2020 are shown net of fee rebates for Election term 2020 of £1,880k (2019 - £nil). Substantially all of the fee concessions relate to bursaries and scholarships.

3 INVESTMENT INCOME

	2020	2019
	£'000	£'000
From equity investments	284	296
From Global Multi-Asset investments	62	65
From Fixed Income Investments	45	36
From Alternative Investments	66	65
From Investment Properties	644	596
Bank and other interest received	136	66
Total investment income	<u>1,237</u>	<u>1,124</u>

Income from investment properties includes £464k paid by general funds to the restricted Scholarship and Bursary Fund and the Trusts Fund for use of their properties (2018/19: £464k).

4 OTHER INCOME

	2020	2019
	£'000	£'000
Other educational income in charitable activities		
Recharged extra-curricular activities	646	1,255
Contribution to recharged activities from restricted fund	-	1
Entrance and registration fees	575	463
	<u>1,221</u>	<u>1,719</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

4 OTHER INCOME (continued)	2020	2019
	£'000	£'000
Other trading activities in charitable activities		
School store and function income	90	130
	90	130
Trading income		
Floreat Overseas Holdings Limited	119	126
	119	126
Other income		
Gain on sale of tangible fixed assets	21	11
Other	624	93
	645	104

In 2019/20 Other income includes £588k received from the Coronavirus Job Retention Scheme, this have been allocated to the George Herbert Fund.

5 TAXATION

As a charity, the School has exemption from taxation on income and capital gains relating to its charitable activities and investments. In consequence, no tax arises on its surplus for the period.

The School's activities are exempt from VAT, with the exception of the school store and letting of School premises, and, therefore, bear most of the VAT chargeable on taxable supplies made to it.

6 STAFF COSTS	2020	2019
	£'000	£'000
Total staff costs of full-time and part-time employees comprises:		
Wages and salaries	14,092	13,898
Social security costs	1,556	1,530
Pension costs	2,836	2,312
	18,484	17,740
Other staff-related costs	131	119
	18,615	17,859
The average number of staff of the School comprises:	Number	Number
Teaching staff and assistants		
Full time	157	153
Part time	49	45
Other staff		
Full time	66	65
Part time	83	84
	355	347

In addition, there are, on average, 29 employed peripatetic teachers and assistants in both Schools (2018/19: 29), supplemented by external tutors who provide lessons in musical instruments.

Neither the Governors nor persons connected with them received any remuneration or other benefits from the School or any connected organisation. One Governor received reimbursed travel expenses of £136 (2018/19: one Governor received travel expenses of £88). The aggregate employee benefits of key management personnel, comprising Heads, Deputy Heads, Bursar, Registrar and senior management teams, were £1,880k (2018/19: £1,737k, including employer's national insurance contributions). During the year there were redundancy or termination payments including associated legal costs made which amounted to £30k (2018/19: £12k), of which £nil was outstanding at the year end.

The numbers of higher paid employees, all of whom accrued retirement benefits from either a defined benefits scheme or a defined contribution scheme, with taxable emoluments within bands shown below are:

	2020	2019
£60,001 to £70,000	30	42
£70,001 to £80,000	32	31
£80,001 to £90,000	15	13
£90,001 to £100,000	1	1
£100,001 to £110,000	1	-
£120,001 to £130,000	1	1
£130,001 to £140,000	-	1
£140,001 to £150,000	1	-
£280,001 to £290,000	1	1

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

7 ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs (note 6) £'000	Other £'000	Depreciation (note 8) £'000	Total 2020 £'000	Total 2019 £'000
Raising funds:					
Financing costs	-	797	-	797	425
Investment management	-	317	-	317	351
Trading costs	-	2	-	2	25
Fundraising costs	272	5	-	277	311
Total deductible costs	272	1,121	-	1,393	1,112
Charitable activities:					
Teaching	14,160	1,393	-	15,553	14,989
Welfare	763	1,576	-	2,339	2,703
Premises - see note below	1,754	3,463	3,205	8,422	8,374
Support costs of schooling	1,610	1,313	-	2,923	2,781
Shop, recharged activities and functions	56	691	-	747	1,434
School's operating costs	18,343	8,436	3,205	29,984	30,281
Grants, awards and prizes	-	687	-	687	754
Total of Charitable activities costs	18,343	9,123	3,205	30,671	31,035
Other - loss on disposal of fixed assets	-	-	-	-	-
Total Expenditure	18,615	10,244	3,205	32,064	32,147

Governance costs included in support costs above comprise:

Auditors' remuneration	- for audit services including VAT	41	40
	- for other services including VAT	5	9
Other professional advice		-	-
Incidental governance costs		1	1
		47	50

Property rental included in premises costs above comprise:

Premises costs include £464k paid by general funds to the restricted Scholarship and Bursary Fund and the Trusts Fund for use of their properties (2018/19: £464k).

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

8 TANGIBLE FIXED ASSETS

Group and School	Assets under Construct- ion	Freehold Property	Long Leasehold Property	Furniture and Equipment	Motor Vehicles	Total
Cost or valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1 July 2019	3,044	51,952	58,893	9,555	356	123,800
Reclassification to investment property	-	-	-	-	-	-
Additions	8	1,143	-	869	-	2,020
Transfers	(2,975)	2,975	-	-	-	-
Disposals	-	-	-	(425)	-	(425)
At 30 June 2020	77	56,070	58,893	9,999	356	125,395
Depreciation						
At 1 July 2019	-	13,721	13,619	6,895	287	34,522
Reclassification to investment property	-	-	-	-	-	-
Charge for year	-	1,122	1,178	877	28	3,205
Transfers	-	-	-	-	-	-
Disposals	-	-	-	(425)	-	(425)
At 30 June 2020	-	14,843	14,797	7,347	315	37,302
Net book values						
At 30 June 2020	77	41,227	44,096	2,652	41	88,093
At 30 June 2019	3,044	38,231	45,274	2,660	69	89,278

Freehold properties comprise those owned absolutely by the School and those whose ownership would revert to the Church Commissioners in the event of the School moving out of the City of Westminster, as provided by the Public Schools Act 1868.

Long leasehold property comprises principally five properties, Millicent Fawcett Hall, 3/3A Dean's Yard, 9 Tufton Street, St Edward's House and Lawrence Hall having lease expiry dates of 24 December 2997, 24 December 2895, 23 June 2890, 31 May 3011 and 1 May 3011 respectively.

In accordance with the School's accounting policies as described in Note 1 heritage assets are not included above.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

9 INVESTMENTS

Investments are analysed according to their principal characteristics as shown below:

Group and School	Group		School	
	30 June 2020 £'000	30 June 2019 £'000	30 June 2020 £'000	30 June 2019 £'000
Equity investments	19,042	16,257	19,042	16,257
Global Multi-Asset investments	6,238	7,449	6,238	7,449
Fixed Income investments	7,673	4,341	7,673	4,341
Alternative and other investments	7,307	10,371	7,282	10,371
Forward foreign currency	398	131	398	131
Investment properties	18,750	18,750	18,750	18,750
Investments at market value	59,408	57,299	59,383	57,299
Cash held for investment	1,776	1,689	1,776	1,689
	61,184	58,988	61,159	58,988
Cost of investments (excluding cash) as at 30 June 2020	55,283	51,984	55,258	51,984

Under the provisions of the Trustee Act 2000, investment properties valued at £10,668k (2018/19: £10,668k) have been pooled between the Scholarship and Bursary Capital and Revenue Funds.

The investment property was revalued by Kutner Associates ('red book') in May 2017 resulting in a devaluation of £2,462k. The Governors are satisfied that the stated valuation remains appropriate in 2020.

All securities and cash are managed by external investment managers with the exception of investments totalling £6,781k (2018/19: £5,889k), included above as equity investments, which are managed under the auspices of the School's Investment Committee.

Investment properties comprise:	£'000	£'000
Property let to third parties	6,305	6,305
Property available for letting to third parties	-	-
Property held by the Scholarship & Bursary Fund and Trusts Fund and leased to the School	12,445	12,445
	18,750	18,750

The movement in the market value of investments and cash under management is shown below:

Group	2020 £'000	2019 £'000
As at 1 July 2019	58,988	58,731
Investment properties reclassified from freehold property at market value	-	1,550
Total (losses)/returns, realised and unrealised, from listed investments and cash	1,056	(1,194)
Net movement and returns from investment properties	596	595
Net income transferred toward permitted activities of Restricted Funds	(464)	(464)
New listed investments	4,625	-
Money withdrawn to support capital expenditure and operations	(3,617)	(230)
As at 30 June 2020	61,184	58,988

During the year the School sold investments in certain Alternative investment funds of £3,617k and reinvested these proceeds in managed funds with existing fund managers.

10 DEBTORS

	Group		School	
	30 June 2020 £'000	30 June 2019 £'000	30 June 2020 £'000	30 June 2019 £'000
Fees & rechargeables	977	621	977	621
Less: Provisions	(275)	(200)	(275)	(200)
	702	421	702	421
Other debtors	523	253	272	137
Prepayments and accrued income	587	622	587	622
Amounts due from subsidiary company (see note 23)	-	-	880	648
	1,812	1,296	2,441	1,828

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

11 CASH AND DEPOSITS

	Group		School	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	£'000	£'000	£'000	£'000
Cash held for investment by the Investment Managers	1,776	1,689	1,776	1,689
Cash held by the School's bankers and sundry floats	21,760	6,312	19,472	6,090
	23,536	8,001	21,248	7,779

12 CREDITORS: due within one year

	Group		School	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	£'000	£'000	£'000	£'000
Trade creditors	2,543	1,605	2,543	1,605
Other creditors including taxation and social security	1,803	1,218	1,803	1,218
Amounts due to subsidiary companies	-	-	-	734
Accruals	746	999	737	993
	5,092	3,822	5,083	4,550
Deferred income - advance fees account (see note 14)	710	738	710	738
	5,802	4,560	5,793	5,288

An amount of £656k (2019: £210k) is included within other creditors for refundable deposits comprising £342k for Great School (2019 - nil) and £314k for Under School (2019 £210k).

13 CREDITORS: due after more than one year

Group and School	30 June 2020	30 June 2019
	£'000	£'000
Loan notes	30,000	15,000
Deferred income - advance fees account (see note 14)	675	807
	30,675	15,807

40 year fixed rate loan note agreement was entered into on 25 July 2017 with a major UK pension fund. The loan notes have been drawn down in two tranches. The first tranche of £15m drawn down in entering into the loan agreement is repayable in one sum in 2057 and will attract annual interest of £395k. A second tranche of £15m was drawn down in July 2019 is also repayable in a lump sum in 2057; this will bring the fixed annual interest charge up to £798k payable from January 2020 onwards.

14 ADVANCE FEES ACCOUNT

Parents or others may enter into an agreement to pay fees in advance for any pupil or prospective pupil of the School. Advance fees are treated as deferred income and applied as follows:

Group and School	30 June 2020	30 June 2019
	£'000	£'000
After five years	-	-
Between two and five years	324	366
Between one and two years	351	441
	675	807
Within one year	710	738
	1,385	1,545

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

14 ADVANCE FEES ACCOUNT (continued)	30 June 2020 £'000	30 June 2019 £'000
The balance represents deferred income. The movements during the period are shown below:		
Balance at beginning of period	1,545	2,018
New contracts	838	704
Amounts accrued to contracts	27	30
Deposits refunded	-	(55)
	<u>2,410</u>	<u>2,697</u>
Amounts utilised in payment of fees - to the School	(989)	(1,118)
- to other schools	(36)	(34)
	<u>1,385</u>	<u>1,545</u>

The School ensures it holds sufficient readily realisable assets to meet the total liability at all times.

15 NET ASSETS OF THE GROUP FUNDS

The Group's net assets belong to the various Funds as shown below:

	Fixed Assets £'000	Investments and cash held for investment £'000	Net Current Assets/ (Liabilities) £'000	Long Term Liabilities £'000	Fund Balances £'000
Endowment Funds					
- Permanent	-	11,811	1,906	-	13,717
- Expendable	-	42,409	14,434	-	56,843
Restricted Funds	-	659	417	-	1,076
Unrestricted Funds					
- Fixed Asset Fund	88,093	-	-	(30,000)	58,093
- Other Designated	-	-	596	-	596
- General	-	6,305	446	(675)	6,076
	<u>88,093</u>	<u>61,184</u>	<u>17,799</u>	<u>(30,675)</u>	<u>136,401</u>
Pension Reserve	-	-	-	(687)	(687)
	<u>88,093</u>	<u>61,184</u>	<u>17,799</u>	<u>(31,362)</u>	<u>135,714</u>

16 ENDOWMENT FUNDS: MOVEMENTS IN THE ACCOUNTING PERIOD

	As at 1 July 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Investment Gains and (Losses) £'000	Transfers £'000	As at 30 June 2020 £'000
Permanent Endowment:						
Scholarship & Bursary Fund	10,000	-	-	-	-	10,000
Trusts Fund	1,650	-	-	-	-	1,650
Ben Jonson Foundation	-	1,354	(21)	-	734	2,067
	<u>11,650</u>	<u>1,354</u>	<u>(21)</u>	<u>-</u>	<u>734</u>	<u>13,717</u>
Expendable endowment:						
Bursary and Building Fund	52,929	362	(110)	1,004	-	54,185
Ben Jonson Foundation Fund	734	-	-	-	(734)	-
Zilkha Fund	1,112	-	-	(53)	-	1,059
Gerry Ashton Memorial Fund	1,258	-	-	(58)	-	1,200
Queen's Scholars' Special Fund	416	-	-	(17)	-	399
	<u>56,449</u>	<u>362</u>	<u>(110)</u>	<u>876</u>	<u>(734)</u>	<u>56,843</u>
Total Endowment Funds	<u>68,099</u>	<u>1,716</u>	<u>(131)</u>	<u>876</u>	<u>-</u>	<u>70,560</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

16 ENDOWMENT FUNDS: MOVEMENTS IN THE ACCOUNTING PERIOD (continued)

The permanently endowed funds represent specific gifts and donations that have been received over time and must be maintained as part of the endowment of the School. The capital of the expendable endowment may be spent on activities as described below. The income arising on all these capital funds has been recorded in the Consolidated Statement of **Scholarship and Bursary ('S & B') Fund**

This fund, established in 1991, to fund scholarships and bursaries for families whose children who would benefit from a Westminster education, with emphasis on parents, owing to financial necessity, would be unable to provide the full fees. Included as a sub-fund, The Hayward Bursary Fund is dedicated entirely to provision of bursaries.

Trusts Fund

The funds are comprised of Eleemosynary Grants, Scholarships, Exhibitions and prizes funded by benefactors of the School to provide financial help for families of pupils who merit special reward or are in special need.

Ben Jonson Foundation Fund

The Ben Jonson Foundation fund was established in March 2019 to raise funds for an endowment for bursaries.

Bursary and Building Fund

The strategy of this fund, which originally comprised the unexpended balance of amounts received from the School's rights to Milne royalties plus the proceeds from their sale received in 2000/2001, is described below in Note 18.

To support education bursaries

Income from the Fund is applied firstly to finance bursaries awarded to eligible pupils, the demand for which may vary from year to year, and may be supplemented, as appropriate, by capital withdrawals.

To support building projects

Any remaining income from the Fund, together with any necessary withdrawals from capital, is applied to School building projects. Amounts are released to general funds as building projects are carried out.

Zilkha Fund

This fund represents donations and amounts specifically for the benefit of the Great School Common Room.

Gerry Ashton Memorial Fund

This fund was established in 2001 in memory of the previous Master of the Under School who died in 1999. It primarily provides bursaries to children joining the Under School who can benefit from a Westminster education, but whose parents, by reason of financial necessity, would otherwise be unable to provide the full fees.

Queen's Scholars' Special Fund

The purpose of this fund is to provide bursaries for Queen's Scholars in cases of hardship.

17 RESTRICTED FUNDS: MOVEMENTS IN THE ACCOUNTING PERIOD

	As at 1 July 2019 £'000	Incoming Resources £'000	Resources Expended £'000	As at 30 June 2020 £'000
Revenue Funds:				
Scholarship and Bursary Fund	659	394	(394)	659
George Herbert Fund	-	433	(111)	322
Trusts Fund	(2)	70	(69)	(1)
Zilkha Fund	6	20	(17)	9
Gerry Ashton Memorial Fund	12	22	(28)	6
Queen's Scholars' Special Fund	35	7	(6)	36
Art Gift Fund	23	1	(3)	21
Travel Grants Fund	24	-	-	24
	757	947	(628)	1,076
External funding for bursaries	-	169	(169)	-
	757	1,116	(797)	1,076

Restricted funds comprise Revenue Funds that receive income from investments and donations and pay grants and expenses from their associated endowment fund in accordance with their respective objectives as described in Note 16. The residual balance in the Scholarship and Bursary Fund arises from the uplift in the market value of the investment property associated with the fund. The George Herbert Fund was set up in spring 2020 in response to the pandemic to provide a hardship fund to support parents who had been hardest hit by the economic impact thereof. Donations of £433k and cost savings arising from the Coronavirus Job Retention Scheme of £588k, a total of £1,021k, have been offset by claims of £111k for the summer term 2020.

External contributions to bursaries are treated as donations which are entirely expended as grants in the same accounting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

18 UNRESTRICTED FUNDS: MOVEMENTS IN THE ACCOUNTING PERIOD

	As at 1 July 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Investment and Other Gains and Losses £'000	Transfers £'000	As at 30 June 2020 £'000
Designated:						
George Herbert Fund	-	588	-	-	-	588
Bursary and Building Revenue	(1)	415	(406)	-	-	8
Fixed Asset Fund	66,679	-	-	-	(8,586)	58,093
General funds	-	28,277	(30,787)	-	8,586	6,076
	<u>66,678</u>	<u>29,280</u>	<u>(31,193)</u>	<u>-</u>	<u>-</u>	<u>64,765</u>
Pension reserve	729	19	57	(1,492)	-	(687)
	<u>67,407</u>	<u>29,299</u>	<u>(31,136)</u>	<u>(1,492)</u>	<u>-</u>	<u>64,078</u>

George Herbert Fund

The George Herbert fund represents the savings allocated to support hardship funds. As there are unlikely to be future incoming resources for the fund by way of cost savings, the use of the fund will be assessed during 2021 and any excess will be transferred to the Bursary & Building Revenue fund.

Bursary and Building Revenue Fund

This was established to receive income and pay grants and expenses from the associated Bursary and Building Fund, which is described in Note 16.

Fixed Asset Fund

Established in 2008, this represents the net book value of fixed assets less related liabilities due in more than one year.

General Funds

The balance of general funds represents available free reserves under the definition determined by the Governing Body.

The sum of £8,586k (2018/19: £1,114k) has been transferred to general funds from the Fixed Asset Fund to re-establish its value to the extent that funds are available.

19 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2020 £'000	2019 £'000
Net incoming / (outgoing) Group resources	67	(906)
Elimination of non-operating elements:		
- Investment income	(1,237)	(1,124)
- Investment managers' charges	317	351
- Interest payable	770	395
- Amounts accrued to advance fee contracts	27	30
Depreciation charges added back	3,205	3,072
Loss / (profit) on disposal of tangible fixed assets added back / (deducted)	-	-
Adjustments to pension scheme costs (deducted)/ added back	(57)	51
(Increase) / decrease in stocks	(2)	17
(Increase) / decrease in debtors derived from charitable activities	(516)	39
Increase/ (decrease) in creditors derived from charitable activities, other than Advance Fees and creditors for capital expenditure	(70)	(432)
Net cash inflow from Group operations	<u>2,504</u>	<u>1,493</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

20 ANALYSIS OF CHANGES IN NET CASH RESOURCES AND DEBT

	30 June 2019 £'000	Cash flow £'000	30 June 2020 £'000
Cash	6,312	15,448	21,760
Loan notes	(15,000)	(15,000)	(30,000)
Bank debt due after one year	-	-	-
Net debt	<u>(8,688)</u>	<u>448</u>	<u>(8,240)</u>

Cash withdrawn from and invested with the investment managers is shown in Note 9.

21 CAPITAL COMMITMENTS

	30 June 2020 £'000	30 June 2019 £'000
Authorised and contracted for	<u>2,071</u>	<u>1,207</u>

Total capital commitments are £2,071k comprising the Weston's building façade works of £1,261k and Lawrence Hall re-roofing of £810k (2019: £1,207k for the re-development of the Adrian Boulton building - completed in October 2019).

22 EMPLOYEE BENEFIT OBLIGATIONS**Teaching Staff**

The School 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 £2,040k (2018/19: £1,490k) and at the year-end £296k was accrued in respect of contributions to this scheme (2018/19: £213k).

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension 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 the Government.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent valuation report in respect of the TPS was prepared at 31 March 2016 and the valuation report, 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 currently 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 decision 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 decision in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may no longer be appropriate. 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 costs is included in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

22 EMPLOYEE BENEFIT OBLIGATIONS (continued)**Non-teaching Staff**

Staff joining the School after 31 December 2010 are eligible to join a defined contribution scheme. The School doubles the employee rate up to a maximum of 15% of pensionable salary. The pension charge for the period includes contributions payable to this scheme of £473k (2018/19: £373k).

The School also operates a defined benefit scheme for its non-teaching staff who joined the School before 1 January 2011, which is known as the Westminster School Retirement Benefits Scheme (the "WSRBS").

The charge for the period, against which employer contributions have been paid over to the WSRBS Trustees, amounted to £273k (2018/19: £407k). The employers' contribution rate is currently 25.1%, as well as an additional contribution of £120k per annum. Those service costs, together with finance costs and the actuarial gains and losses on the WSRBS for the period, are recognised in the Statement of Financial Activities in accordance with FRS 102.

The assets of the WSRBS are held separately from those of the School. The WSRBS is funded by contributions from the employees and the employer in accordance with the recommendations of an independent qualified actuary on the basis of triennial valuations. The most recent of these valuations was made on 1 August 2016.

Current legislation requires trustees to achieve a Statutory Funding Objective and to maintain contributions and investment returns at a level that ensures the scheme's liabilities are matched by its assets. The funding level as at 1 August 2016 indicated that the assets (including insured pensions), the fair value of which was then £12.677m, represented 93% of its liabilities, also including insured pensions. Having taken actuarial advice, the School agreed with the Trustees to pay contributions at 25.1% (2018/19: 25.1%) of pensionable salaries from August 2017, as well as an additional recovery contribution of £10,000 per month from August 2017 for ten years (this ceased from August 2020). Employee members pay 9% (2018/19: 9%).

In addition to the formal triennial valuation referred to above, annual valuations are prepared by the same independent qualified actuary principally for the purpose of preparing FRS 102 figures. In the FRS 102 valuation, the fair values of those asset classes provided by the scheme administrator were:

	2020	2019
	£'000	£'000
Equities	4,521	4,466
Gilts	2,193	2,016
Bonds	3,780	3,682
Property	1,170	1,035
Cash	254	12
Total	<u>11,918</u>	<u>11,211</u>

The assumptions having the most significant effect on the results of the FRS 102 valuation are shown below. The liabilities have been calculated using the following actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2020	2019
Rate of discount at period end	1.50%	2.50%
Expected return on scheme assets	2.50%	2.50%
Inflation (RPI)	3.20%	3.50%
Inflation (CPI)	2.50%	2.80%
Rate of increase in salaries	2.50%	2.80%
Rate of increase in pensions in payment – post August 2011	2.10%	2.10%
Rate of increase in pensions in payment – post April 1997	2.50%	2.80%
Rate of increase in pensions in payment – pre April 1997	2.50%	2.80%
Rate of increase of pensions in deferment - post 1 August 2011	2.50%	2.10%
Rate of increase of pensions in deferment - pre 1 August 2011	2.50%	2.80%
Proportion of employees opting for early retirement	0.00%	0.00%
Proportion opting for statutorily allowed pension commutation	75.00%	75.00%

The overall expected rate of return on the scheme assets is determined using the actual asset allocation of the scheme and individual expected returns for each of the asset classes. The expected return on bonds is determined by reference to the current yield on corporate bonds. The expected return on equities is taken as the current yield on gilts with an outperformance element of 2.5%.

The liabilities are determined using the projected unit method. Under the projected unit method, the current service costs will increase as the members of the scheme approach retirement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

22 EMPLOYEE BENEFIT OBLIGATIONS (continued)**Non-teaching Staff** (continued)

On this basis, the calculated notional funding position in respect of the WSRBS at 30 June 2020 and at 30 June 2019 was as follows:

	30 June 2020	30 June 2019
	£'000	£'000
Present value of funded obligations	(12,605)	(10,482)
Fair value of plan assets	11,918	11,211
(Deficit) / Surplus	(687)	729

	30 June 2020	30 June 2019
	£'000	£'000
Amounts included in the balance sheet as:		
Liabilities	(687)	-
Assets	-	729
Net (liability) / asset	(687)	729

Changes in the present value of the defined benefit obligation are as follows:

	2020	2019
	£'000	£'000
Opening defined benefit obligation	10,482	9,044
Service cost - current	273	254
Service cost - past	-	152
Interest cost	263	247
Actuarial loss / (gain)	1,728	822
Employee contributions	86	93
Benefits paid	(227)	(130)
Defined benefit obligation at end of period	12,605	10,482

Changes in the fair value of the Scheme assets are as follows:

	2020	2019
	£'000	£'000
Opening value of Scheme assets	11,211	10,025
Expected return	283	275
Actuarial gain	235	593
Employer contributions	361	385
Employee contributions	86	93
Benefits paid and expenses paid from the Scheme	(258)	(160)
Fair value of the Scheme assets at the period end	11,918	11,211

The actual return on the Scheme assets during the period was

283	275
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In making the assessment for the purposes of FRS 102, the actuary has excluded from both assets and liabilities annuities secured in respect of pensions in payment, additional voluntary contributions (AVCs) and the insurance contract for death in service, each of which has a neutral effect on the scheme's financial position.

The amounts included within the Statement of Financial Activities are as follows:

	2020	2019
	£'000	£'000
Operating charge:		
Current service (cost)	(273)	(255)
Past service cost	-	(152)
	(273)	(407)

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

22 EMPLOYEE BENEFIT OBLIGATIONS (continued)**Non-teaching Staff** (continued)

	2020	2019
	£'000	£'000
Other finance income:		
Expected return on pension scheme assets	283	275
Interest on pension scheme liabilities	(263)	(247)
	20	28
	2020	2019
	£'000	£'000
Total amount (charged) within net incoming / (outgoing) resources	(253)	(379)
Actuarial (losses)	(1,492)	(229)
Total amount charged to the Statement of Financial Activities	(1,745)	(608)

The cumulative total of recognised actuarial gains and losses arising since 1 August 2001, from when comparative data is available, is a net actuarial loss of £33k.

The employer expects to contribute £282k to its defined benefit scheme in 2020/21 (£409k paid in this year).

The amounts for the current and previous periods are as follows:

	2020	2019	2018	2017	2016
	(Year)	(Year)	(Year)	(Year)	(Year)
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(12,605)	(10,482)	(9,044)	(8,532)	(8,406)
Scheme assets	11,918	11,211	10,025	8,820	8,487
(Liability) / Surplus	(687)	729	981	287	81
Adjustment to Scheme liabilities due to changes in assumptions	(1,763)	(718)	(94)	139	(1,092)
Experience adjustments on Scheme liabilities	36	(104)	49	106	102
Experience adjustments on Scheme assets	235	593	566	9	677

Defined benefit obligation and the value of Scheme assets reported above each exclude the value of insurance policies to secure pensions in payment.

23 RELATED PARTY DISCLOSURES

The Westminster School Society ('The Society') is an independent registered charity whose objects are to raise and administer funds to support the education of pupils at Westminster School. One Council member of The Society is also a Governor of Westminster School. The principal transactions between the two charities during the year are as follows:

In 2012/13 the Society paid £2.15m to purchase a residential property from the School, which is now leased back. Rent is payable by the School to The Society for the use of residential properties amounting to £78,000 (2018/19: £78,000). The Society enjoys the benefit of office accommodation at the School for no cost. The Society paid to the School £9,179 (2018/19: £8,992) including VAT for accountancy administration. The Society made grants of £7,727 (2018/19: £25,197) for School related activities; grants in the year were lower due to lockdown.

The Society made contributions to bursaries at the School amounting to £150,000 (2018/19: £129,000).

The Westminster School Foundation ('The Foundation') is an independent registered charity whose objects are the advancement of learning and education in particular, at Westminster School. The principal transactions between the two charities during the year are as follows:

The Foundation made contributions to bursaries at the School amounting to £19,000 (2018/19: £17,000).

Floreat Overseas Holdings Limited ('FOHL') is a trading subsidiary of the School whose objectives are to explore the opportunities for setting up overseas schools and offering consultancy services. The principal transactions between the two entities during the year are as follows:

The company owes the School £880,215 (2018/19: £648,325) in respect of consultancy costs, legal fees and travel expenses incurred on its behalf of which £231,891 (2018/19: £330,149) was incurred during the year.

Ben Jonson Foundation ('BJF') is a charitable incorporated organisation whose primary purpose is to provide an endowment fund for future bursary support for Westminster School. The principal transactions between the two entities during the year are as follows:

The School owed BJF £nil (2018/19: £733,679) for donations collected on its behalf, of which £nil was received during the year (2018/19: £483,679). The amounts have been fully settled in the year.

All the amounts referred to above were settled in the year, except for FOHL, the total amount due from related parties is therefore £880,215 (2018/19: £648,325).

One of the governors, Mrs V Tuck, is a contracted consultant for RSAcademics, advising International Schools on their behalf. RSAcademics were engaged by the School in the process of three senior recruitment appointments and a governance review during the year. Mrs Tuck does not benefit in any way from the School's engagement of RSAcademics. The School received donations from Governors of £938 in the year (2018/19: £156,725).

24 POST BALANCE SHEET EVENTS

The School is closely following the advice of the government on a day-by-day basis to ensure the safety and wellbeing of the whole School community during the unfolding second wave of the COVID-19 pandemic. All staff worked remotely in most cases until the staff of term in September 2020 when the Schools reopened. The Schools senior management teams continue to address the emerging issues, in consultation with Governors, to implement the action plans and standard operating procedures to continue operations in a safe manner.

25 SUBSIDIARIES

The School owns 100% of the issued share capital of Floreat Overseas Holdings Limited ('FOHL') (company number 10421836). This company is registered in England and has their registered office at Little Dean's Yard, London, SW1P 3PF.

FOHL carries out trading activities in the School's premises including providing consultancy services to set up schools overseas. The company had a turnover of £119,350 (2018/19: £125,827) and loss before tax of £76,000 (2018/19: £148,767). At 30 June 2020 the company had an accumulated deficit of £391,629 (30th June 2019: accumulated deficit of £315,629). The results of this company are consolidated into these financial statements. The School continues to financially support the subsidiary for the purposes of preparing the accounts on a going concern basis.

In March 2019, the School set up a charitable incorporated organisation the Ben Jonson Foundation to provide an endowment for bursary support (charity number 1182556). The Foundation received donations of £1,352,485 (2018/19: £733,679) in the year and made a profit before tax of £1,333,727 (2018/19: £733,679). This company is registered in England and has their registered office at Little Dean's Yard, London, SW1P 3PF. The Foundation's first annual statements have been made up to June 2020 and show total endowment reserves of £2,067,406. The results of this organisation are consolidated into these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

26 STATEMENT OF FINANCIAL ACTIVITIES - Comparative figures breakdown by fund type

Year ended 30 June 2019	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
INCOME AND ENDOWMENTS FROM:				
<i>Charitable activities</i>				
School Fees	26,571	-	-	26,571
Other educational income	1,719	-	-	1,719
Other trading activities	130	-	-	130
<i>Investments</i>	604	520	-	1,124
<i>Donations</i>	22	209	1,236	1,467
<i>Trading income</i>	126	-	-	126
<i>Other</i>	104	-	-	104
Total Incoming Resources	29,276	729	1,236	31,241
EXPENDITURE ON:				
<i>Raising funds</i>				
Fund raising	311	-	-	311
Trading costs	25	-	-	25
Finance costs of Advance Fee Scheme	30	-	-	30
Bank interest and other finance costs	395	-	-	395
Investment management	203	-	148	351
Total deductible costs	964	-	148	1,112
<i>Charitable activities</i>				
Schools and grant making	30,289	746	-	31,035
<i>Other</i>				
Loss on disposal of tangible fixed assets	-	-	-	-
Total Expenditure	31,253	746	148	32,147
Net (expenditure)/income before gains and losses	(1,977)	(17)	1,088	(906)
Gains/(losses) on investments	839	-	(1,305)	(466)
NET INCOME AND CAPITAL	(1,138)	(17)	(217)	(1,372)
<i>Pension Scheme actuarial (losses)/gains</i>	(229)	-	-	(229)
NET MOVEMENT IN FUNDS FOR YEAR	(1,367)	(17)	(217)	(1,601)
Fund balances at start of period	68,774	774	68,316	137,864
FUND BALANCES at end of period	67,407	757	68,099	136,263

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

27 NET ASSETS OF THE GROUP FUNDS - Comparative figures for year ended 30th June 2019

The Group's net assets as at 30th June 2019 for the various funds are shown below:

	Assets £'000	Investments £'000	Assets/ £'000	Liabilities £'000	Balances £'000
Endowment Funds					
- Permanent	-	11,786	(136)	-	11,650
- Expendable	-	40,238	16,211	-	56,449
Restricted Funds	-	659	98	-	757
Unrestricted Funds					
- Fixed Asset Fund	89,278	-	(7,600)	(15,000)	66,678
- General	-	6,305	(5,498)	(807)	-
	<u>89,278</u>	<u>58,988</u>	<u>3,075</u>	<u>(15,807)</u>	<u>135,534</u>
Pension Reserve	-	-	-	729	729
	<u>89,278</u>	<u>58,988</u>	<u>3,075</u>	<u>(15,078)</u>	<u>136,263</u>

28 ENDOWMENT FUNDS: MOVEMENTS IN THE LAST ACCOUNTING YEAR

	As at 1 July 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Investment Gains and (Losses) £'000	As at 30 June 2019 £'000
Permanent Endowment:					
Scholarship & Bursary Fund	10,000	-	-	-	10,000
Trusts Fund	1,650	-	-	-	1,650
	<u>11,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,650</u>
Expendable endowment:					
Bursary and Building Fund	53,818	502	(148)	(1,243)	52,929
Ben Jonson Foundation Fund	-	734	-	-	734
Zilkha Fund	1,138	-	-	(26)	1,112
Gerry Ashton Memorial Fund	1,286	-	-	(28)	1,258
Queen's Scholars' Special Fund	424	-	-	(8)	416
	<u>56,666</u>	<u>1,236</u>	<u>(148)</u>	<u>(1,305)</u>	<u>56,449</u>
Total Endowment Funds	68,316	1,236	(148)	(1,305)	68,099

NOTES TO THE FINANCIAL STATEMENTS FOR THE ACCOUNTING YEAR ENDED 30 JUNE 2020

29 RESTRICTED FUNDS: MOVEMENTS IN THE LAST ACCOUNTING YEAR

	As at 1 July 2018 £'000	Incoming Resources £'000	Resources Expended £'000		As at 30 June 2019 £'000
Revenue Funds:					
Scholarship and Bursary Fund	659	394	(394)		659
Trusts Fund	-	70	(72)		(2)
Zilkha Fund	14	23	(31)		6
Gerry Ashton Memorial Fund	14	25	(27)		12
Queen's Scholars' Special Fund	33	8	(6)		35
Art Gift Fund	30	3	(10)		23
Travel Grants Fund	24	-	-		24
	774	523	(540)		757
External contributions to bursaries	-	206	(206)		-
	774	729	(746)		757

30 UNRESTRICTED FUNDS: MOVEMENTS IN THE LAST ACCOUNTING YEAR

	As at 1 July 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Investment and Other Gains and Losses £'000	Transfers £'000	As at 30 June 2019 £'000
Designated:						
Bursary and Building Revenue	-	446	(447)	-	-	(1)
Fixed Asset Fund	67,793	-	-	-	(1,114)	66,679
General funds	-	28,802	(30,755)	839	1,114	-
	67,793	29,248	(31,202)	839	-	66,678
Pension reserve	981	28	(51)	(229)	-	729
	68,774	29,276	(31,253)	610	-	67,407