



## **ST ALBANS SCHOOL**

### **REPORT AND FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

Company limited by guarantee  
Registered in England No. 4400125  
Charity No. 1092932

**ST ALBANS SCHOOL**

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## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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The St Albans School Governors present their Annual Report for the year ended 31 August 2019 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

#### **CONSTITUTION AND OBJECTS**

St Albans School was founded in AD948 by Abbot Wulsin and has operated as a school without break since that time.

It was incorporated on 21 March 2002 as a company limited by guarantee and not having a share capital (registered in England, No.4400125). The School is registered with the Charity Commission as a registered educational charity No.1092932. The undertaking comprising the former charitable trust of the same name was transferred to the company with effect from 31 August 2003. The registered office and address of the School is at Abbey Gateway, St Albans, Hertfordshire, AL3 4HB.

The School's Objects and principal activity, as set out in the Memorandum and Articles, are to advance the education and training, by the provision and conduct, in or near St Albans, of a day school for boys and also for girls in the Sixth Form.

#### **AIMS, OBJECTIVES AND ACTIVITIES**

The School is a secondary day school for boys between the ages of 11-18 with girls in the Sixth Form.

In furtherance of the Objects for the public benefit, the School operates premises in St Albans, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The School also maintains its buildings and endowed land, with its Scheduled Ancient Monument and other listed buildings considered of national importance.

The Ethos, Vision, Goal and Aims are set out in the School's current Strategic Development Plan, which was approved by the Governors in June 2016. These are:

##### ***Motto***

*NON NOBIS NATI (born not for ourselves)*

##### **Ethos**

*Over seventeen hundred years ago Saint Alban, a seeker after truth, lived and died in this place. Today, more than one thousand years since its foundation, this School which bears his name continues to foster scholarship and intellectual enquiry at the heart of an exceptional holistic education. Enriched by inspirational teaching, wide-ranging academic, cultural and sporting opportunities and strong pastoral care our pupils develop a love of learning together with the values, skills and qualities to enable them to live successful and happy adult lives in an ever-changing world, faithful to the altruism of our motto.*

##### **Vision**

*To help each pupil flourish intellectually and personally, developing self-knowledge and self-confidence in order to find meaning and purpose in life.*

##### **Goal**

*To enhance the School's reputation as one of the UK's leading institutions for academic excellence at the heart of an exceptional holistic and value-rich education that develops intellectual, personal and interpersonal potential, attractive to pupils, parents and teachers from across the UK and around the world.*

##### **Aims**

*We aim to deliver our ethos and values, realise our vision and achieve our goal by:*

- *providing an education that inspires a love of learning and intellectual enquiry and enables pupils to develop independent, searching minds in fulfilling their academic potential;*
- *offering a broad, flexible and forward-looking curriculum which prepares pupils for success in academic and professional life and leadership roles, enabling pupils to experience a wide variety of sporting, cultural and other co-curricular activities in order to develop skills, interests, ambitions and potential beyond the classroom and the examined curriculum;*
- *providing teaching informed by excellent subject knowledge and high expectations, which stimulates and challenges pupils and fosters innovation, imagination, skill, articulacy and flair, along with pupils' ability to reflect on their own performance and progress;*
- *attracting and retaining highly-qualified, talented and well-motivated staff who enjoy the responsibility of inspiring pupils in accordance with the School's ethos, and investing in their professional training and development;*
- *providing a safe and welcoming environment underpinned by excellent pastoral care, supporting each pupil to be happy, feel valued as an individual and, with appropriate guidance and responsibilities, develop the self-confidence to become the adult they wish to be, learning the importance of tolerance and consideration towards others;*
- *providing expert advice so that pupils are ready to derive the maximum benefit from their continuing education and are able to make informed choices about their future career, and working in partnership with parents to support pupils in their journey from childhood to adulthood, preparing them for their departure into the adult world;*
- *continuing the evolution of the School's provision, striving for excellence in all aspects of its operations, instilling the highest standards of behaviour, manners, dress and speech, together with encouragement of pride in self and School to develop courteous, sociable and caring adults, and promoting the embodiment of the School's values, in particular the importance of the ethos of service to others in living a fulfilling life;*
- *furthering the tradition and heritage arising from the School's historic links with the Abbey and the City of St Albans, emphasising the importance to self and others of contributing to the community, both inside and outside the School, and ensuring that the wider community benefits from the work of the School, in particular through partnership projects with state-sector schools and wider outreach work;*
- *widening entry via means-tested bursaries, where possible, for children with the potential to benefit from a St Albans School education; and*
- *exercising a careful and responsible stewardship of the School's finances and facilities, ensuring the best-possible educational value.*

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#### **STRATEGIES TO ACHIEVE THE SCHOOL'S OBJECTIVES**

In setting our objectives and planning activities, Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

During the period of this report, the School maintained excellent results at A level and at GCSE. Sporting standards and participation remain excellent, high quality musical and theatrical performances were maintained and an active programme of tours was achieved, expanding pupils' horizons. Community and service activities continue to expand; staff training and facility improvements continue.

In October 2014 the School was inspected by the Independent School Inspectorate, whose report records, among other comments that *"The achievement of pupils across all ages is exceptional."* and *"Pupils strive for excellence in all aspects of their school life."* The full report is available on the ISI website and on the School's website. Since then, the School has been subject to an ISI Regulatory Compliance Inspection (October 2018), and was found to be compliant.

#### **Principal activities of the year**

The School provides education in St Albans to boys from the age of 11 and girls in the Sixth Form. This year the School averaged at 860 pupils (2018 – 850) throughout the financial year.

The School population is at an historic high and demand for places remains strong. This means that admission is academically competitive as evidenced by the increasing academic ability of the intakes at 11+ and 13+. This gives us confidence that the School can operate at high capacity for the foreseeable future without compromising its resolve to maintain the high academic standards with which the School has long been identified.

#### **Grant-making policy**

The Governors regard bursary awards as important in ensuring that children from families who would otherwise not be able to afford the full School fee can access the education the School offers. All pupils who meet the entrance requirements, whose parents meet the financial conditions, may be considered for an award, subject to the availability of funds. These are made solely on the basis of parental means or to relieve hardship where a current pupil's education may be at risk. In assessing means we take into account family income, savings and family circumstances. However, the School does not have a large endowment and awards are funded mindful that Governors must maintain a balance between possibly hard pressed, fee-paying parents and those benefiting from bursary awards. Bursaries need to make a material difference to the family concerned, bringing life-changing opportunities.

The Governors' aim is to award new, means-tested, bursaries and scholarships to the value of eight full fees each year as follows:-

- Bursaries are awarded, in order of merit in the appropriate entrance examination, to those pupils whose parents would otherwise not be able to afford to have their children educated at the School and may also be awarded to existing pupils where the policy is to relieve hardship where the pupil's education would otherwise be at risk. Bursaries range from 10% to 100% of the termly fee but are generally not less than 40%. All bursaries are reviewed annually.
- Scholarships are awarded following the entrance and scholarship examinations at 11+, 13+ and Sixth Form entry. These awards are made solely on merit without regard to parental income. Where funds are not fully allocated to scholarships, these funds are made available in addition to those already available for means-tested bursaries.

The majority of available funds go towards bursaries.

Scholarships and bursaries valued at £835,459 (2018 - £828,873) were awarded in the year. Of this total, £562,338 (67%) was awarded through means-tested bursaries. A total of 151 pupils in the School received either a bursary or scholarship during the year (2018: 158) of whom 9 received total remission of fees (2018: 11).

Available bursary funds were fully and effectively deployed on a means-tested basis during the academic year. Means-tested bursaries, in some cases in combination with scholarships awarded independently on academic

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merit, were offered to those who qualified in respect of ability and financial need, in strict order of attainment in the relevant selection process. The School's Bursary Policy is available on the School's website.

## **STRATEGIC REPORT**

### **Operational performance of the School**

The School is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share this commitment. The School prides itself on the strong pastoral care provided for all pupils by Form Tutors under the aegis of Heads of Year and Heads of Section.

The School welcomes pupils from all backgrounds. For a candidate to be admitted, the School needs to be satisfied that it will be able to educate and develop them to the best of their potential and in line with the general standards achieved by their peers. Entrance assessments are undertaken to satisfy the School and parents that potential pupils can cope with the pace of learning and benefit from the education provided. These assessments are made without regard to economic status, ethnicity, race, religion or disability.

### **Academic**

At A Level in 2019, A\* grades account for 25% of all grades and A\* and A grades are at 59%. Six pupils achieved 4 A\* grades and seventeen pupils gained at least 3 A\*s. Thirty-nine candidates (more than one quarter of our entry) gained at least 2 A\*s and sixty-nine pupils (almost half of our entry) gained at least 1A\*.

The School's 2019 GCSE results once again reinforce the School's reputation for consistently high achievement. 61% of examinations taken were graded 9-8/A\* - which represents a school record - and 82% received 9-7/A\*-A grades. Some two-thirds of the year group gained at least five 9/8/A\* grades, with more than half of the cohort gaining at least six 9/8/A\* grades. Over 40% of candidates gained at least eight 9/8/A\* grades. Two students achieved straight 9/A\* grades and fourteen achieved straight 9s, 8s & A\*s. An impressive fifteen pupils achieved at least ten 9/8/A\*s.

81% of our students who applied to university in 2019 secured a place at either their first or second preference university on results day. Of those taking up university places, 86% will study at Russell Group or former 1994 Group universities. Eight students will be enrolling on Medicine or Dentistry courses. Nine students will take up Oxbridge places (4 at Oxford and 5 at Cambridge). The most popular destinations for St Albans School alumni this year are Bristol, Durham, Exeter, Leeds and Nottingham.

St Albans School believes that a good education is about so much more than examination results and university places. Our pupils have the opportunity to participate in many educational opportunities outside the classroom. These include national academic competitions, visits to important historical sites and theatre trips.

### **Music**

Alongside its academic curriculum, The Music Department continues to run a busy Co-Curricular Programme. Experience of performing has become a focus of the Department this year, with **Lunchtime Concerts** happening on most days in the Music School.

The **Joint Schools' Concert** continues to be an extremely popular annual event, with parents, staff and students performing some wonderful repertoire from English composers.

There were many excellent performances during the year, highlights included the two **Scholars' concerts**, the ever-popular and excellent **Steinway Concert** and performances of Mozart's **Clarinet Concerto** and Rachmaninoff's **Second Piano Concerto** by students. The advent of **Live Band Workshops**, run by professional rock band musicians, has produced many popular music ensembles, with drummers, guitarists and singers to the fore.

The **Summer Cabaret** was a sell-out, with some excellent performances from the Sixth Form students singing a range of music from Stevie Wonder and Van Morrison to Queen, ABBA and TOTO.

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On an individual level, the most notable successes have been four **Diploma Distinctions** from Sixth Formers **Alice Dilley** (Clarinet), **Stratford Ryan** (Flute), **Jeremiah Joshua Wallace** (Drum Kit) and Third Form pupil **John-Ellis Wallace** (Voice). **Liam White** (Third Form) continues to win multiple competition awards for his exceptional piano playing.

#### **Sport - Participation**

Sport is part of the mainstream PE timetable with each pupil in Year 7-11 having a scheduled fifty-minute lesson each week. In addition, timetabled Games lessons occur once a week for each age group and involves a two- hour slot for sport. This slot is based on an expanding preference system and allows for greater diversity and choice as the students mature through the School.

After School clubs and activities run each evening from 16.15-18.00 allowing a great number of students to develop their interest in competitive sport or their recreational interest in other sports. Fixtures during the week and on Saturdays and occasionally Sundays provide additional opportunities to develop the sporting experience and talents of the students with fixtures against local state schools and other HMC schools. Cup competitions are entered in most sports to allow for increased pressure situations to develop the athletes further and assist in their ability to manage and cope with pressure.

In an average week over 600 students participate in the extra-curricular programme and on Saturdays we have recorded 530 students playing representative sport for the School during the school year. However, this does not portray the full picture of engagement, as it does not account for the numbers of pupils who participate in sport and physical activity recreationally or for social reasons. This is something as a Department we have worked hard to increase our provision and promoted these opportunities through PE lessons and extra-curricular options. Development of our PE curriculum over the past three years has modified the nature of some of the activities we engage in to make them more appealing to those less inclined to traditional sports and increased the range of activities the pupils are exposed to. This is especially the case in the Middle School, to try to engage and inspire those not attracted to more traditional activity.

#### **Sport – Achievements**

The significant achievements of the PE and Games department in 2018 and 19 culminated in a shared award from the St Albans District Council for ‘Sports School of the Year’ based on the evidence presented on the high levels of engagement and participation of our students in a wide range of activities at a range of levels.

This academic year has also seen some outstanding individual performances and achievements across the School, including at international, national and regional / county level for their relevant year-groups.

Additionally, numerous other pupils have progressed in various sports pathways at the equivalent of county level in cricket, hockey, rugby, tennis, swimming and athletics.

- The 4th form **Athletics** team second in County League qualification and winners of the District Championship.
- **Basketball** continues to flourish, and teams are entered in the District League that provides competitive opportunities across the U12 to U15 age groups. The U15 team were District A league joint winners.
- **Climbing** as a Co-Curricular activity and as a games preference in senior games continues to flourish and the climbing wall is now utilised in PE lessons, games, GCSE, A level and Co-Curricular time.
- The Senior and U14 **Cricket** teams had very successful seasons with outstanding individual and collective performances through the Summer term. The U15s, U14s and U12s won their respective District Cups. Across the age groups there are several players representing Hertfordshire at cricket.
- The **Cross-Country squad** had a very successful season, contesting for medals at every race they entered. The biggest achievements were 2<sup>nd</sup> place at the King’s trophy, 3<sup>rd</sup> in Haskell Cup. At the National Final the Juniors placed 12<sup>th</sup> and Inters 14<sup>th</sup>. This was a first for the school having both teams in the final of this extremely prestigious event.
- **Football** continues to be a very popular sport amongst the student body and competitive matches take place each Saturday with Cup competitions for each age group in the District Cup.

- This year saw the introduction of **Girls Touch Rugby** as a Summer term sport and the participants gained in confidence and thoroughly enjoyed the experience. They took on a select boys' team as the finale to their season and competed well.
- The **Golf** season was successful on an individual basis, with Greg Hurley winning the HSGA Rosebowl competition. By the end of the year four of our higher handicappers had got down to single figures, so we now have a larger pool of able players coming through.
- **Hockey** fielded thirteen teams and played 131 fixtures in the Lent term during weekend block fixtures with encouraging results both in individual fixtures and in tournaments.
- This was the most successful year of **Lacrosse** in the School's history. The team played consistently in first team tournaments and attended the Nationals and County Tournament for the first time. The sport has grown rapidly over the last six years and it was a triumph to be placed fifth out of fifty-eight schools at the Nationals.
- It was a very successful season for the **Netball** Team with the team winning the District Netball Tournament for the first time and competing strongly in the County and District Leagues.
- **Rugby Union** put out 20 teams consisting of 364 pupils that played in 194 matches, winning 109. There are 25 pupils playing county rugby for either Hertfordshire or Middlesex.
- The **rugby sevens team** increased its commitment from three tournaments in 2018 to six in 2019 competing at the Roslyn Park National Sevens for the first time. The highlight of the season was winning the County Plate final against Haileybury.
- 2018/19 proved to be a difficult year for Shooting with the range out of action and travel to Luton required. The teams continued to be involved in many competitions and there were some outstanding individual performances without the teams necessarily being as successful as previous years.
- This year again the U16 and U19 **ski** teams have represented the School at the English Ski Schools National Finals and British Open finals. The teams finished 6<sup>th</sup> and 7<sup>th</sup> respectively in England and 8<sup>th</sup> in the Open demonstrating strength in depth of the squad.
- The School's **swimming** teams continued to flourish with the Intermediates finishing 5<sup>th</sup> in the ESSA National Relay final at the Olympic Aquatic and all three boys age groups finishing well in the Hertfordshire League with the Inters in 1<sup>st</sup> and Seniors and Juniors ending the league season in 2<sup>nd</sup> place. Swimming recreationally also continues to flourish.
- **Tennis** continues to be a popular sport at the School, and the School's results in competitions, such as the ISTA Tennis Tournament at Eton, demonstrate the increasing talent.

## **Drama**

The Drama Department continues to prioritise the provision of enriching opportunities for students including trips to the theatre, workshops with visiting professionals and experience both onstage and backstage. Highlights from this year have included:

- The main school production of Bugsy Malone which immersed audience members in a New York speakeasy environment with table seating and mobsters on patrol.
- Several Sixth Form shows have taken place throughout the year including an Improvised Comedy evening and a performance of Our Country's Good by Timberlake Wertenbaker.
- The Junior and Senior House Drama competitions saw many students across several year groups within School representing their House and the standard of work this year was exceptional.
- The Lower School Drama club remained fiercely popular and students showcased two very different productions including 'The Witches' and 'Ernie's incredible illusions'.
- The department provided numerous theatre trips for students including 'A Midsummer Night's Dream' at the Bridge Theatre, 'The Jungle' at the Playhouse Theatre and a trip to see 'Austentatious' at The Fortune theatre starring a former OA.
- We also had the delight of welcoming several visiting theatre companies to work with our GCSE and A level students including Frantic Assembly, The Paperbirds and the Free Association.
- We entered the National Theatre Connections Festival for the first time and a group of 12 students had the unique opportunity for staging a brand new play at the Royal & Derngate Theatre in Northampton.
- Finally, the department finished the year on a high by taking the Lower Sixth A level group to the Edinburgh Fringe Festival where they performed a four-show run of a new play 'Vanity Airlines' which delighted crowds.



**Other activities**

Outside of these core areas, pupils have wide opportunities to participate in activities such as:-

- The Combined Cadet Force (CCF);
- Outdoor education visits, including to the School's dedicated outdoor education facility at Pen Arthur in the Welsh mountains; and
- The Duke of Edinburgh Award.

All of these activities are proving increasingly popular, showing that St Albans School can combine an exceptional academic achievement with wider personal development.

**Mental Health and Well-being**

The School recognises the pressure that pupils find themselves under and has therefore worked hard to ensure that there is a strong system of pastoral care and well-being. Actions being taken include the following

- Special events and communications for students and pupils about the importance maintenance of mental health as part of their development;
- Training for staff in mental health awareness; and
- The widening of the role of the Designated Safeguarding Lead to encompass Well-being

**ADDITIONAL COMMUNITY AND PUBLIC BENEFIT**

The Governors regard the School's wider activities as a critical part of its activities; the School must be, and be seen to be, an important part of the local community. Governors have reviewed the guidance from the Charity Commission in respect of public benefit and continue to review this regularly against the policies and objectives of the School. Accordingly, Governors have had due regard to the guidance in reviewing activities in the year.

The Governors see the charitable benefit as being in the following categories:-

1. The education of the pupils at the School
2. Widening access through the bursary scheme
3. The considerable use of its educational and sporting facilities by the local community
4. The extensive partnerships with local schools

Each is now considered in detail:-

**1. The education of the pupils at the School**

In pursuing the charitable objects, the School demonstrably provides a first-class education to its pupils. This education is more than academic and social; it concerns itself with linguistic, mathematical, scientific, human, social and physical development and prepares pupils for the wider world in the best possible manner.

By parents choosing to educate their pupils at St Albans School, the taxpayer is saved from paying for their education in state-maintained schools. The Independent Schools Council estimates that this saves the taxpayer some £6,500 per pupil per year (the approximate cost per pupil at an Academy), amounting to some £5.6m per annum for the 860 pupils currently at this School.

**2. Widening access through the bursary scheme**

The awarding of bursaries for those unable to afford the School's fees is a measurable means of demonstrating additional public benefit beyond the education of the Charity's direct beneficiaries.

In maintaining, and where possible expanding, the bursary scheme operated by the School, we are able to select a number of pupils on purely academic criteria with minimal reference to their ability to fund the fees levied by the School. The School supports a total of 9 full fee remissions and a further 142 partial remissions including both Bursaries and Scholarships. This represents 18% of the total School roll. In this way we believe we ensure that the benefit provided by the School is not restricted to those who have the ability to pay for education.

**3. The considerable use of its educational and sporting facilities by the local community**

In addition to the above, the School provides a wide variety of Community benefits as detailed above and as follows.

- Each year the School organises and hosts a **conference on Oxford and Cambridge admissions**, addressed by admissions tutors and current undergraduates, which is well attended by teachers and pupils from other local schools from both the independent and maintained sectors. The “What’s it Like to Study?” programme, whereby OAs return to the School to give presentations on their experience of university study and applications. As in previous years, the School continued its support of Sandringham School by offering mock interviews and advice to their Oxbridge candidates. This outreach has been extended to include Southgate School and is planned to be extended by assisting the staff of these schools by running workshops and training courses for Oxbridge and Russell Group admissions.
- The School continues to **support Initial Teacher Training**, with the Senior Master assisting school staff in organising this. One of our teachers acted as mentor to a School Direct trainee in Mathematics who successfully completed her Second School Placement here. We had three NQTs who successfully completed their IStip induction year, each supported by a teacher mentor and the Senior Master.
- We continue to **host visiting teachers** from a range of schools, who visited as part of their Continuing Professional Development, observing lessons and sharing best practice with our staff.
- This year the School once again offered the ‘Experience’ scheme for **helping possible entrants to the teaching profession**. We receive a number of approaches requesting volunteering opportunities; whilst these are not as easy to accommodate, each is considered on its merits.
- **The Sports Hall and Swimming Pool is open to community use** by local swimming, triathlon, basketball, netball and dance clubs and daytime use by local primary schools. It is also open to local residents when not being used for School activities.
- **Other facilities, such as the Hall and the Refectory, are available for community use.**
- **The Woollam Playing Fields and its Pavilion continue to provide an important venue for the national as well as the local community.** Users include:-
  - Saracens training camps, covering ages 6-16;
  - Hertfordshire rugby sevens finals;
  - Old Albanians Rugby, including their minis and juniors, with some 400-500 under-18s on site on Sundays;
  - Harpenden Hockey, including both Juniors and seniors, male and female;
  - County and District Cricket, including the ECB Junior Cricket Finals;
  - Harpenden Lacrosse;
  - Hertfordshire Fire and Rescue football;
  - Cricket academies for children 7-16;
  - Weekly dance classes;
  - An annual charity tennis tournament;
  - Charity bicycle rides; and
  - District, County and Regional Rugby as well as Football and Cross-Country of all Levels.
- **The Woollams Pavilion also hosted a national seminar on groundsmanship.**

Much of this use is provided by the School free of charge or at marginal cost.

#### **4. The extensive partnerships with local schools**

The Partnership Scheme between St Albans School and local Primary and Special Schools has continued to grow. Heathlands School for the Deaf joined the programme this year; other participating schools are as follows: Abbey Primary, Aboyne Lodge, Alban City, Beech Hyde, Bernard’s Heath, Cunningham Hill, Maple, PraeWood, Redbourn Primary, St Michael’s, St Peter’s and St John Fisher. Over 80 Lower Sixth students partake in the scheme on Friday afternoons. DBS checks are organised by the School for all the students involved and they also attended a safeguarding workshop before commencing their placements.

All these activities are co-ordinated by the Head of Partnership and assisted by other members of staff. The main elements to the Partnership Scheme are:

##### **Swimming lessons**

These are organised for four local schools in our school pool on Monday and Friday afternoons. Swimming on Mondays has been expanded to 3 sessions now to accommodate two classes from Prae Wood school in addition to a class from St Michael’s. Qualified coaches from local clubs are employed to run each session and Sixth Formers act as lifeguards on Fridays. This year alone we have had more than 300 Primary

School children making use of our Partnership Swimming sessions and more than 700 hours of pool time and lifeguarding has been provided.

### **Masterclasses for Primary Schools**

On Friday afternoons the School offers masterclasses run by members of our staff assisted by Lower Sixth Form students in IT and Science. These give the primary school pupils the opportunity to come to use our facilities and carry out practical activities that might not be possible in their Primary schools. SAS teachers running these classes endeavour to cover specific parts of the Primary School curriculum as requested by the Partnership schools. We also run popular Art, Drama and Music classes on Friday afternoons led by an SAS teacher and Sixth Form helpers which take place either at SAS or the teacher and students visit the primary school to run the sessions.

The Lower Sixth Form helpers are vital to the running of all these master classes. They get the opportunity to share their passion for these subjects with the younger pupils and through their involvement develop vital life skills, such as communication, organisation and cultivate a sense of responsibility. SAS French, STEM and Maths teachers also visit local schools to offer specialist support to various groups during the week. We also offer specialist Maths classes run by a member of our staff to local gifted and talented mathematicians from a consortium of local primary schools.

**Imageneering club**, run in a lab at SAS, for a group of twelve pupils from Abbey School, is now in its third year of the scheme. The children learn and practice engineering skills using simple tools and have fun while making a series of working models. This is run by parent volunteers from Abbey, who are scientists, plus a member of SAS staff, supported by two L6th helpers.

### **Classroom and Sports Assistants**

Many Lower Sixth Form students travel to our Partnership schools on Friday afternoons where they help out in a variety of ways, and two assist with the activities for primary school children provided by Cathedral Education. Our students get involved in an assortment of activities in their Partnership Schools, for example helping individual children reading or doing maths, assisting with sports coaching, craft activities, IT, and doing some administrative work. The Sixth Form students provide valuable support to the teacher in the classroom whilst developing those important skills which they will need as they move on to life outside school. This year Abbey Primary School asked for some Language specialists to help with a new Spanish student who had limited English. We sent along two of our A' level Spanish students who got the chance to practice their Spanish whilst helping the pupil with his English.

In addition to the Partnership Scheme, St Albans School makes other contributions to the community as follows:

### **School staff serving as Governors at local schools**

Their roles include Safeguarding, Resources and Premises, Finance, Child Protection, Special Educational Needs and Disabilities (SEND) and Performance Management, as well as subject responsibilities. State Primary and Junior, SPMLD Special and Independent Schools are all represented.

### **Community Link**

Volunteers in the School's Community Link Programme worked all year aiding a range of local causes. We have over 30 Sixth Formers participating in the scheme.

### **Special Schools**

Throughout the academic year a group of Lower Sixth students from St Albans School volunteers on Friday afternoons to work as assistants in three local schools for children with special educational needs.

- At Woodfield School the students work primarily with individual children with severe or profound and multiple learning disabilities. They provide valuable support and assistance to classroom teachers giving IT, drama, art, music and general classroom assistance. We have also had our Partnership Music Group in

attendance on a regular basis to work with groups of children and this has been most successful and appreciated by the school and enjoyed by our Sixth Form group.

- At Watling View School, which caters for children and young people aged from 2 to 19 with either severe, or profound and multiple learning disabilities, the St Albans School students also work with individual children and as classroom assistants and in addition, they help pupils in the hydrotherapy pool, and with self-expression in speech and with sign language.
- At St Luke's in Redbourn, the St Albans School Sixth Formers also assist in the classrooms, working with individuals with complex moderate learning difficulties, autism spectrum disorders and speech, language and communication needs.

This year we also had a volunteer at Heathlands School for the Deaf. Our Sixth Former helped with IT lessons and learnt some sign languages so that he could communicate better with the pupils he was working with.

Sixth Form Volunteers offered weekly conversation, music, quizzes and general assistance for elderly and often wheelchair-bound residents at Verulam House, Vesta Lodge, Tara's Retreat and Lyndon House Residential care homes where they also work with dementia patients.

The Sixth Formers develop relationships with the elderly residents over the year and enjoyed talking to them and listening to their stories about their own youth. Our Art teacher visited Verulam House on a weekly basis to give some of the residents art lessons.

### **Drama Collaboration**

This year we invited a group of Primary School children and residents of a local Care Home to watch the school play of 'Bugsy Malone'. The aim of this event was to bring together members of the local community and to inspire and introduce the performing arts to local school children. We had approximately 60 of our own pupils involved in the performance of 'Bugsy Malone'. Our school prefects accompanied the elderly residents from the Care Home and either walked with them or pushed their wheelchairs and helped them return after the performance. We had 60 Year 5 and 6 pupils from two local Primary Schools in attendance.

### **St Albans Cathedral Volunteering**

This year we have had two different volunteering opportunities at St Albans Cathedral on Friday afternoons. The first was within the Education Centre, which works with children, schools, and youth groups from all over the UK and overseas. The second was with the Cathedral Volunteering and Community Services team and pupils helped at the welcome desk, took tours and provided admin support.

### **Centre 33**

Centre 33 is a centre for the homeless and disadvantaged in St Albans and is located close to us on Spicer Street. The School community helped provide clothing, sleeping bags and Christmas Gifts for the visitors to the Centre again this year.

### **The LinkAges Christmas Party**

This is a very popular annual event which has now been going on for around 20 years, treating over 80 elderly guests from the local area to an afternoon of food and entertainment provided by the School and Community Link team. Guests enjoyed festive readings from the Lower School, music from the jazz band and sing along carols with the school choir. The School also provides a complimentary return taxi service to all guests. The event is a great opportunity to build on our relationship with local residents and to bridge the gap between generations.

### **Charity Shops**

Sixth Form volunteers continue to help weekly in the Keech House Hospice Charity shop giving general assistance and preparing items to go out onto the shop floor and in addition this year we also had volunteers in the Oxfam Charity shop where two of our Sixth Formers helped with cataloguing items for sale on eBay and organising donations for sale.

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **Future Plans for Partnership and Community Link**

We have had an enthusiastic response from all our current Partnership and Community link placements who all wish to continue with the scheme this year. This year was our first year with Beech Hyde School and it was a positive experience for both their pupils and teachers and our Sixth Formers and we are hoping to expand with visiting teachers and Masterclasses this year. We have established a link with a local deaf school and hope to be able to send some Sixth Formers there on a Friday afternoon this year. Redbourn Infant and Junior School have amalgamated this term under a new Headteacher and we will continue to send Sixth Formers to the new Redbourn Primary School.

New for the Community Link scheme we will be sending some pupils to help at the Abbey on Friday afternoons, they will be helping at the new Welcome Centre and with some Cathedral Surveys. We also hope to help in June with their Alban Festival.

#### **Combined Cadet Force Partnership**

This is a Ministry of Defence-approved partnership between St Albans School CCF and the state-maintained Marlborough Science Academy in St Albans, which involves the training of Year 9 to 11 Cadets from Marlborough Science Academy alongside our own cadets. In addition, staff from Marlborough are trained as Officers. The aim of the partnership is to train both the Cadets and Officers from Marlborough Science Academy, with a view to Marlborough setting up its own CCF in due course, but the linkages that this initiative are providing suggests that a deeper, more long-lasting partnership would bring benefits to all.

#### **The Duke of Edinburgh Award**

This popular scheme continues to give young people a great deal of opportunity to involve themselves in volunteering for their local community. 100 pupils took part in Silver Duke of Edinburgh during the year, providing at least 3,000 hours of volunteering over six months. In the Sixth Form, 40 Gold participants provided over 3,000 hours of volunteering during their time taking part in the Award and many contributed to a variety of good causes through their residential placements. Students also developed new or existing skills and physical activities outside of School time. Expeditions took place all over the British Isles and Europe assisted and assessed by over 20 members of staff.

#### **Environmental Work**

The Environmental Group is a member of the British Trust for Conservation Volunteers (BTCV) and aims to foster an awareness of local conservation issues and to help the community by participating in schemes to improve the local environment.

#### **Charitable Fundraising**

This year the School community has again raised considerable sums for charitable causes. It has achieved this through a wide range of activities, including whole-school activities, form group events and individual efforts.

## **CLIMATE CHANGE**

The School, its pupils and its staff recognise the importance of sustainable development and the need to reduce the impact of carbon emissions. The School has taken a large number of measures to reduce its environmental impact, including the following:-

- The renewal of all the heating boilers on the School's main site to ensure that these are modern and efficient;
- The installation of electric vehicle charging points;
- The building of additional covered bicycle racks to encourage use of bicycles;
- Significant reduction in single-use plastics;
- Ensuring that all of the School's waste is fully sorted for recycling;
- That new buildings and facilities are built to the highest standards of environmental impact

The School also carried out a review of transportation. Most students travel in by coach, thus reducing car travel. Approximately 25% of pupils commute by car. This is substantially less than the average across all Hertfordshire schools (which is 40%) and precisely in line with the County Council's targets for all schools.

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The School had 860 pupils at the end of the financial year (2018 – 850). The School population from September 2019 was 862 pupils.

Total income of the School (excluding donations) for the year was up by 4.5% on the corresponding period in 2017/18. This level of income is required to finance the ongoing capital expenditure needed to upgrade the School's facilities and support the playing fields, and in order to keep pace with what is expected of the School as a premier educational establishment.

The School's Net Income (excluding donations) was £1,018,884 (2018 - £654,722), some 6.8% of net fee income. The surplus was below the medium-term benchmarks that the Board uses but is now moving in the right direction. In order to maintain standards and investment, while keeping our costs and therefore our charges to parents, to a minimum, the Governors wish to see continued improvement over the medium term and a plan is in place to do so.

During the year the School Foundation raised a total of £1,779,513, which was allocated as requested by donors in supporting bursaries, specific capital projects such as the Performing Arts and Science developments and for other capital items where a difference could be made to the School. The bulk of this represents a donation towards the building of a new Mathematics Faculty, for which planning permission was obtained in August 2017. These donations have significantly assisted in our ability to provide funding both for the future and for current needs.

As a charity, the School gives parents the assurance that all income must be applied for educational purposes. As an educational charity, the School has tax exemption on educational activities, investments and gains applied to our charitable objects. The financial benefits received from these tax exemptions are all applied for educational purposes and indirectly assist our bursary policies and partnership scheme.

However, as an educational charity, we are unable to reclaim input VAT on our costs as we are exempt for VAT purposes. With VAT at 20%, this cost needs to be absorbed by continued attention to efficiency and cost effectiveness.

As noted above, educating 860 pupils provides saving to the taxpayer of around £5.6million, to which needs to be added the approximate amount of UK tax supported by the School of approximately £8.9million. In addition to this relief to the public purse, the School brings substantial benefits to the local community, as a major employer, through the education we offer, our bursary programme and the Community Link and Partnership scheme, which creates a social asset without cost to the Exchequer.

We consider that the key financial performance indicators are those that communicate the financial performance and strength of the School as a whole, those being pupil numbers, academic results for the year, surplus for the period, extra-curricular performances and applications for places for the following year. For the period under review, pupil numbers continue to be at historically high levels, academic results are near record, the financial result for the period was acceptable in current circumstances and registrations for future admission have increased on the previous year. Taking all of these together, the performance of the School remains excellent. All of these factors give the Governors the confidence that the School is, and will remain, a going concern, and so the accounts have therefore been prepared on the basis that the charity is a going concern.

#### **Reserves Policy**

The total funds of the Charity at 31 August 2019 amounted to £23,440,094 (2018 - £20,408,124) of which £1,137,315 (2018 - £1,120,198) were endowed funds, £6,668,052 restricted and £15,634,727 unrestricted (2018 - £5,241,585 and £14,046,334 respectively). The unrestricted funds include designated funds which represent Bursary, Foundation, Professor Hawking Memorial Fund and Tour funds and amounted to £3,976,911 (2018 - £3,398,775) at the year end.

It is the Governors' aim to maintain adequate reserves between 5% and 10% of fee income to enable the School to meet unforeseen costs or to cover any shortfall in expected fees or other income. The level of reserves is monitored and reviewed annually by the Governors. Free reserves in the School at the year-end amounted to £1,975,110 (2018 - £853,369) which the Governors regard as adequate, but not excessive, having regard to forecast levels of income and expenditure and to the likelihood of contingencies arising that might not be met out of income when they arise. The Strategic Development Plan, approved by the Governors in June 2016, set out how the financial

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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position of the School would continue to improve over the following five years through a carefully-managed balance of a continued, small increase in pupil numbers in line with demand and an ongoing focus on the costs of the School.

As noted above, significant funds have been donated or pledged for the building of a Mathematics Faculty which was handed over and completed in early 2020. The full build cost of this exciting project have been be paid for by donation.

#### **Investment policy and objectives**

The Governors' investment powers are governed by the Memorandum and Articles of Association which permit the funds of the School to be invested as may be thought fit subject to such conditions and such consents as may be imposed or required by law.

It is the Governors' policy to aim for a reasonable long-term overall return with the emphasis on income generation whilst maintaining the capital value of the funds in real terms.

The School continues to diversify its investments to provide a moderate but managed level of risk, commensurate with maintaining a suitable annual income and some element of capital growth. The Finance Committee continues to review investment policy and returns.

**FUTURE PLANS**

The School's Strategic Development Plan was approved by the Board in June 2016 and the School is being managed in accordance with that. This plan sets out the development for the School over the following five years, reaffirming the Aims and Objectives as set out in the Aims, Objectives and Activities section above.

Governors are reviewing the Strategic Development Plan in 2020 with a view that the new plan will be in place from September 2020, subject to any issues that arise out of the Coronavirus crisis (see Principal Risks and Uncertainties below).

**GROUP STRUCTURE AND RELATIONSHIPS**

The School has two connected charities:

(a) **Development Trust (Registered Charity No. 311052)**

The Trust received monies donated by public appeal and passed those monies to the School as the objects of the appeals were discharged. All work for which appeals were made has been completed and this entity is now inactive. The Trust is currently the lessee of certain land at Cheapside Farm in connection with the development of playing fields by the Old Albanian Sports Association Limited.

(b) **Woollam Playing Field Trust (Registered Charity No. 311020)**

The objects of the Charity, as set out in the Charity Commission Scheme, are:

- (1) the provision and maintenance of playing fields and other recreational facilities for the pupils attending St Albans School;
- (2) the maintenance and support of St Albans School; and
- (3) the promotion of education of the pupils attending the St Albans School in such ways as the Trustee thinks fit.

The School has a trading subsidiary company **Abbey Gateway Enterprises Limited** which is included and consolidated into the School's group accounts in the year ended 31<sup>st</sup> August 2019.

Results for Abbey Gateway Enterprises Limited show a retained profit/(loss) for the year of £11,560, (2018 – (£20,582)).



**PRINCIPAL RISKS AND UNCERTAINTIES**

The major risks faced in each of the principal areas of the School's operations have been examined. The School's Risk Register is regularly reviewed in detail by the Audit & Risk Committee and the full Board, which receives a formal annual report from the Audit & Risk Committee as well as updates at each meeting.

In the opinion of the Governing Body, the major risks to which the School is exposed, as identified, have been reviewed and processes to manage those risks have been established, which, under normal conditions, should allow these risks to be mitigated to an acceptable level in the School's day-to-day operations. Risks are also reviewed in the context of the long-term strategic objectives of the school and their likely impact on this plan. Major risks currently identified include:-

- changes in legislation potentially affecting the charitable status of the School;
- inherent risks within a School environment, and in particular, safeguarding and associated risks such as reputational;
- the increasingly onerous compliance and regulatory background in which the School operates, adding to the operational and administrative costs of the School; and
- the recruitment and retention of staff of the required calibre to maintain the School's high standards.

The potential impacts of these risks, together with their likelihood of occurrence, are reviewed against the ability of the School to continue to operate at the highest level academically and appropriate control mechanisms have been established. With these risks and uncertainties in mind, the Governing Body is aware that plans for future development of the School may be subject to unforeseen future events outside of the direct control of the School.

The School looks to address the four risks above through generic controls (see below) and specific actions such as:-

- Keeping a close watching brief on emerging changes to charity legislation
- Ensuring that the members of the safeguarding team are fully trained and resourced
- That the implications for the School of changes in the legislative environment are fully understood and that the School is prepared in advance as necessary; and
- That the terms and conditions for the School's staff are kept under close review and amended as necessary.

The generic controls used by the School to minimise risk include:

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

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

Governors have considered the risks and possible consequences on the School of the Covid-19 situation, and in particular, the potential impact on fee receipts and pupil numbers. Action is being taken across the School to address this, including adjustments to fees, providing bursary assistance to those parents in financial difficulty and raising money from generous donors to help finance this assistance. At the time of writing, the School's site remains closed and pupils are studying remotely. While it is not possible to forecast with any degree of detail how the situation will develop, and following their review, Governors have concluded that the School is, and have reasonable expectations that it will remain for the foreseeable future, a going concern and the accounts have been prepared on that basis.

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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#### **GOVERNANCE AND MANAGEMENT**

##### **Governing Document and Governing Body**

The School is governed by its Articles of Association which were fully updated in August 2018. The Governors, who are also the Charity Trustees, are responsible for the overall management and control of St Albans School. The Governors are the Directors, Members and Charity Trustees of the Charitable Company. The Governors of the charitable company during the year were as follows; unless otherwise indicated they served throughout the year.

Miss L Ainsworth	4, 5	
P Brown (OA)	3	
MWS Cawthorne	5	
A Dalwood (OA)	2, 4	
S P Eames (OA) (Chairman until March 2019)	1, 3, 4	Resigned 9 March 2019
D K Foster	5	
Sir Roy Gardner (Chairman from March 2019)	2, 4	
Mrs A Hurst	1, 4	
RR Lucas	2	
Professor J Luzio	1	
C McIntyre		
S Majumdar	4	
N Moore (OA)	5	
CE Pomfret	2	
M Punt	1	
A Woodgate (OA)	3	

1 - Education Committee, 2 - Finance Committee, 3 - Property Committee, 4 - Nominations Committee, 5 - Audit & Risk Committee

During the year the Board of Governors met formally 4 times to review all matters relating to the performance of the School. All Trustees give of their time freely and no remuneration was paid in the year, although three trustees who are also directors of St Albans School International Limited (Mr McIntyre, Mr Brown and Mr Majumdar) were remunerated by St Albans School International Limited to reflect the onerous nature of their commitment to the development of this commercial enterprise. That remuneration ceased in January 2018, which is in the previous financial year but is disclosed in the notes as it is a comparative for this year.

The Board's committees all have clearly defined responsibilities, terms of reference and reporting lines back to the Board of Governors. In addition, individual Governors give time to specific projects to match their skills and experience.

At least one meeting per year is with the full Board of Governors and the Advisory Council to review the previous academic year's performance. The current Advisory Council (as at November 2019) is made up as follows:-

The Right Worshipful, the Mayor of the City & District of St Albans  
The Very Reverend J P H John, The Dean of the Cathedral and Abbey Church of St Alban  
The President of the Old Albanian Club  
O King  
C Oglethorpe  
P Rattle  
L Sinclair  
Mrs J F Tasker  
B Walker  
Judge Wilding

The Mayor and the Dean of St Albans, together with the President of the Old Albanian Club, serve ex-officio for their respective terms of office; all other Governors serve for a term of four years. They may be re-appointed.

Members of the Advisory Council may also attend committees of the Board and bring considerable knowledge and expertise to the School and its governance. They are not Governors, Directors or Members of the Company.

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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Governors are appointed for terms of four years. Any retiring Governor who remains qualified shall be eligible for reappointment in accordance with Article 5.3 for up to two further terms of four years but shall not then be eligible for reappointment unless the Governors resolve by a majority of not less than 50% of those voting at the relevant meeting that they should continue in office (Article 5.5).

The Bursar, in his role as Clerk to the Governors, is responsible for co-ordinating the work of the Governing Body and its Committees, circulation of papers and reviewing matters arising.

#### **Recruitment and Training of Governors**

Co-opted Governors are appointed on the recommendations received from Governors concerning eligibility, specialist skills and local availability. The Mayor of the City and District of St Albans, the Dean of the Cathedral and Abbey Church and the President of the Old Albanian Club are ex-officio members of the Advisory Council for their term of office. All other Governors serve for a 4-year term and may be re-appointed.

New Governors are inducted into the workings of the School and its connected charities, including Board policies and procedures. They are also invited to attend, where appropriate, training courses and seminars organised by AGBIS and associated bodies or organisations.

#### **Organisational Management**

The day-to-day running of the School is delegated to the Headmaster and Bursar supported by the Senior Management Team. The Headmaster, Bursar, Second Master and Deputy Head Academic attend meetings of the Governing Body and other committees as appropriate.

#### **Remuneration**

Remuneration is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

#### **Employment policy**

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School.

#### **Charity Governance Code**

The Board of Governors has reviewed the Charity Governance Code in detail and compared its structures and performance against each key area. This analysis has been presented to, and discussed by, the Board of Governors as a whole. The Governors are satisfied that the School applies the principles of the Code within its current Governance arrangements and is making additional efforts to ensure that the constituents of the Governing Board has a diverse representation which reflects the nature of the Charity's beneficiaries.

#### **Fundraising**

St Albans School Foundation is managed by the staff of the School's Development Office, led by the Development Director, and does not engage third party fundraisers or commercial participators. The Development Office is overseen by the Headmaster with overall oversight by members of the Governing Body and in particular, the Audit & Risk Committee of the Board. SAS Foundation is a member of the Institute of Development Professionals in Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies fully with the Code of Fundraising practice. The Development Office has Terms of Reference approved by the Board of Governors.

St Albans School Foundation has not received any complaints about its fundraising activities in this period. It always ensures that due care and attention is given to protect members of the public, and in particular vulnerable

## **ST ALBANS SCHOOL**

### **ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2019**

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people, from any undue pressure or unreasonable intrusion related to fundraising. The Foundation also ensures that our storage and use of personal data used for fundraising is compliant with GDPR.

#### **SENIOR MANAGEMENT**

The Headmaster	Jonathan Gillespie MA, FRSA
Second Master	Ms Melody Jones BSc
Deputy Head Academic	Mark E Davies MA
Senior Master	Pat Taylor BEd
The Bursar & Clerk to the Governors	Richard Hepper MA, FCA
Director of Marketing, Admissions and Communications	Ms Alison Crombie BA

#### **PRINCIPAL ADDRESS AND REGISTERED OFFICE**

St Albans School, Abbey Gateway, St Albans Hertfordshire AL3 4HB

#### **WEBSITE**

[www.st-albans.herts.sch.uk](http://www.st-albans.herts.sch.uk)

#### **COMPANY SECRETARY**

R Hepper MA, FCA

#### **ADVISERS**

##### **Bankers**

Clydesdale Bank Plc - Verulam Point, St Albans AL1 5HE

Barclays Bank Plc - Blenheim Gate, 22-24 Upper Marlborough Road, St Albans AL1 3AL

##### **Solicitors**

Debenhams Ottaway LLP - Ivy House, 107 St Peter's Street, St Albans AL1 3EW

Farrer & Co LLP - 66 Lincoln's Inn Fields, London WC2A 3LH

Veale Wasborough Vizards LLP - Barnards Inn, 86 Fetter Lane, London EC4A 1AD

##### **Auditors**

Crowe UK LLP - St. Bride's House, 10 Salisbury Square, London, EC4Y 8EH

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**STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES**

The members of the Governing Body (who are also the Directors of St Albans School for the purposes of company law) are responsible for preparing the Annual Report of the Governors, the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the members of the Governing Body to prepare financial statements for each financial year. Under company law the Governing Body members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

In preparing these financial statements, the Governing Body members are required to:-

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

The members of the Governing Body are responsible for ensuring that adequate accounting records are kept sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Relevant Audit Information**

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware.

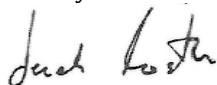
Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of St Albans School on 21 May 2020, including in their capacity as company directors approving the Directors' and Strategic Report therein, and is signed on its behalf by:



Sir Roy Gardner

Director



Mr D K Foster

Director

**Independent Auditor's Report to the Members of St Albans School**

**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2019 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

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

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

## **ST ALBANS SCHOOL**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ALBANS SCHOOL**

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We have nothing to report in this regard.

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

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted 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

**ST ALBANS SCHOOL**


**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ALBANS SCHOOL**

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Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



Tim Redwood  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
**London**

**Date** 28 May 2020



ST ALBANS SCHOOL

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

	Notes	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Endowed Funds £ 000's	2019 £ 000's	2018 £ 000's
<b>Income and endowments from:</b>						
<b>Charitable activities</b>						
School fees receivable	2	15,041	-	-	15,041	14,245
Other educational income	3	1,771	-	-	1,771	1,840
<b>Other trading activities</b>						
Non-ancillary trading income	4	309	-	-	309	302
Other activities	4	133	-	-	133	134
<b>Investments</b>						
Investment income and interest	5	42	33	-	75	61
<b>Donations and legacies</b>						
Donations	6	355	1,426	-	1,781	1,786
<b>Total income</b>		<b>17,651</b>	<b>1,459</b>	<b>-</b>	<b>19,110</b>	<b>18,368</b>
<b>Expenditure on:</b>						
<b>Raising funds</b>						
Financing costs		169	-	-	169	124
Development office		208	-	-	208	228
St Albans School International Limited		-	-	-	-	376
Non- ancilliary trading		898	-	-	898	920
Investment management costs		15	-	13	28	25
<b>Total deductible costs</b>		<b>1,290</b>	<b>-</b>	<b>13</b>	<b>1,303</b>	<b>1,673</b>
<b>Charitable activities</b>						
Education		14,963	33	-	14,996	14,591
<b>Total expenditure</b>		<b>16,253</b>	<b>33</b>	<b>13</b>	<b>16,299</b>	<b>16,264</b>
<b>Net incoming/(outgoing) funds from operations before transfers and investment gains</b>						
		1,398	1,426	(13)	2,811	2,104
(Losses)/gains on other investments		191	-	30	221	(14)
<b>Net movement in funds for the year</b>		<b>1,589</b>	<b>1,426</b>	<b>17</b>	<b>3,032</b>	<b>2,090</b>
<b>Fund balances brought forward at 1 September 2018</b>		<b>14,046</b>	<b>5,242</b>	<b>1,120</b>	<b>20,408</b>	<b>18,318</b>
<b>Fund balances carried forward at 31 August 2019</b>	<b>18</b>	<b>15,635</b>	<b>6,668</b>	<b>1,137</b>	<b>23,440</b>	<b>20,408</b>

The notes on pages 30 to 49 form part of these financial statements.

ST ALBANS SCHOOL

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £000's	2018 £000's
<b>Income from:</b>			
<b>Charitable activities</b>			
School fees	2	15,041	14,245
Other educational income	3	1,771	1,840
<b>Other trading activities</b>			
Sub-letting and management charges	4	133	134
Non ancillary trading income		309	302
<b>Investments</b>			
Dividends, bank and other interest	5	75	61
<b>Donations and legacies</b>			
Grants and donations - Unrestricted		355	668
- Restricted	6	1,426	1,118
<b>Other income</b>		-	-
<b>Total income</b>		<u>19,110</u>	<u>18,368</u>
<b>Expenditure on:</b>			
<b>Costs of raising funds</b>			
Financing costs		169	124
Development office		208	228
St Albans School International Ltd		-	376
Non ancillary trading		898	920
Investment management costs		15	14
		<u>1,290</u>	<u>1,662</u>
<b>Charitable activities</b>			
Education		14,996	14,590
<b>Total expenditure</b>		<u>16,286</u>	<u>16,252</u>
<b>Net income before investment gains and inter-fund transfers</b>		2,824	2,116
Net investment gains for the year		191	(7)
<b>Net income for the year</b>		<u><u>3,015</u></u>	<u><u>2,109</u></u>

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on Page 25 and its presentation is required under the Companies Act 2006.

**ST ALBANS SCHOOL**

**COMPANY REGISTRATION NUMBER 4400125  
CONSOLIDATED AND SCHOOL BALANCE SHEETS  
AS AT 31 AUGUST 2019**

	Notes	Group		School	
		2019 £000's	2018 £000's	2019 £000's	2018 £000's
<b>FIXED ASSETS</b>					
Tangible assets	9	16,647	13,582	16,647	13,582
Investments	10	9,198	9,005	9,198	9,005
		<u>25,845</u>	<u>22,587</u>	<u>25,845</u>	<u>22,587</u>
<b>CURRENT ASSETS</b>					
Stock		51	53	-	-
Debtors	11	614	673	605	662
Cash and deposits		6,123	6,168	6,035	6,086
		<u>6,788</u>	<u>6,894</u>	<u>6,640</u>	<u>6,748</u>
<b>CURRENT LIABILITIES</b>					
Creditors payable within one year	12	(5,540)	(4,346)	(5,482)	(4,300)
<b>NET CURRENT ASSETS</b>					
		<u>1,248</u>	<u>2,548</u>	<u>1,158</u>	<u>2,448</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		27,093	25,135	27,003	25,035
<b>LONG-TERM LIABILITIES</b>					
Creditors payable after one year	13	(3,488)	(4,528)	(3,456)	(4,474)
Pension Scheme funding deficit		(165)	(199)	(165)	(199)
<b>NET ASSETS</b>					
	17	<u>23,440</u>	<u>20,408</u>	<u>23,382</u>	<u>20,362</u>
<b>REPRESENTED BY</b>					
PERMANENT ENDOWED FUNDS		68	68	68	68
EXPENDABLE ENDOWED FUNDS		1,069	1,052	1,069	1,052
RESTRICTED FUNDS		6,668	5,242	6,668	5,242
<b>UNRESTRICTED FUNDS</b>					
Designated Reserve- includes revaluation reserve of £78,726 (2018: £51,653 )		3,977	3,399	3,977	3,399
School Reserve		11,852	10,875	11,794	10,829
Pension Reserve	20	(194)	(228)	(194)	(228)
<b>TOTAL FUNDS</b>					
		<u>23,440</u>	<u>20,408</u>	<u>23,382</u>	<u>20,362</u>

The net result for the financial year dealt with in the financial statements of the parent charity was a surplus of £3,032,908 (2018 £2,426,677).

These financial statements were authorised for issue and approved by the Board on 21st May 2020 and were signed on its behalf by:



Sir Roy Gardner

Chairman of the Governing Body



Mr D K Foster

Governor and Chairman of the Audit & Risk Committee

The notes on pages 30 to 49 form part of these financial statements.

ST ALBANS SCHOOL

CONSOLIDATED CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000's	2018 £000's
<b>Net cash inflow from operations</b>			
Net cash provided by operating activities	(i)	<u>3,911</u>	<u>2,754</u>
<b>Cashflows from investing activities:</b>			
Payments for tangible fixed assets	(3,302)	(3,165)	
Additions to securities investments portfolio	(43)	(25)	
Withdrawals from securities investments portfolio	28	25	
Investment income and bank interest received	76	61	
<b>Net cash provided by investing activities</b>		<u>(3,241)</u>	<u>(3,104)</u>
<b>Cashflows from financing activities:</b>			
Addition/(repayment) of secured loan	(546)	1,167	
Finance costs paid	(169)	(124)	
<b>Net cash (used in) financing activities</b>		<u>(715)</u>	<u>1,043</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(45)	693
<b>Cash and cash equivalents at the beginning of the reporting period</b>		6,168	5,475
<b>Cash and cash equivalents at the end of the reporting period</b>	(ii)	<u><u>6,123</u></u>	<u><u>6,168</u></u>

The notes on pages 30 to 49 form part of these financial statements.

ST ALBANS SCHOOL

NOTES TO THE CONSOLIDATED CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2019

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(i) Reconciliation of net income to net cash flow from operating activities

	2019 £000's	2018 £000's
Net income	2,811	2,104
<b>Elimination of non-operating cashflows:</b>		
Investment income	(75)	(61)
Finance costs	169	124
Investment management charges	28	25
Depreciation charge	237	189
(increase)/decrease in inventory	2	(23)
(Increase)/decrease in debtors	71	44
Increase/(decrease) in creditors	668	352
<b>Net cash provided by operating activities</b>	<u>3,911</u>	<u>2,754</u>

(ii) Analysis of cash and cash equivalents

Cash at bank	<u>6,123</u>	<u>6,168</u>
	<u>6,123</u>	<u>6,168</u>

## 1 ACCOUNTING POLICIES

### **Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities SORP (FRS102).

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

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

The School has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

### **Going Concern**

After making enquires, the Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 21.

### **Accounts**

These accounts, in accordance with a Charity Commission uniting direction, combine the financial statements of the company, St Albans School, and its trusts, the St Albans School Trust, the St Albans School Scholarship and Bursary Trust, the St Albans School John Clough Bursary Trust, George Wishart Prize Fund and the James Baum Prize Fund.

The accounts for the School's wholly owned trading subsidiary, John Insomuch Schoolmaster Printer (1479) Limited, have not been consolidated on the basis that it is dormant and not material to these accounts.

The accounts present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and School balance sheets on a line by line basis, comprising the consolidation of the School and its wholly owned subsidiaries St Albans School International Limited (SASI) and Abbey Gateway Enterprises Ltd. The results of St Albans School International Management company Pte Ltd (SASIMCo), a joint venture company have been included in the SASI accounts to 31 August 2017 using equity accounting, however, the investment held by SASI in SASIMCo had been written down to nil for the year ended 31 August 2017 as the going concern of SASIMCo was not certain. SASIMCo is not included in the consolidation to 31 August 2018 and SASI results to 18th July included in the SOFA as this is the date the company went into liquidation. A nil balance sheet is included for SASI.

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

The School is a Public Benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 21 March 2002 (company number 4400125) and registered as a charity on 12 July 2002 (charity number 1092932). The registered office is Abbey Gateway, St Albans, Hertfordshire, AL3 4HB.

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

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

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

**1 ACCOUNTING POLICIES (continued)**

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 following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

**Fees and other educational income**

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

**Investment income**

The income derived from investments is accounted for on an accruals basis and is credited to the relevant fund when it is receivable. Income from investment properties is accounted for in the period to which the rental income relates. Rental income (including incentives received or paid) for operating leases on investment property are recognised in the Statement of Financial Activities on a straight line basis over the lease term.

**Donations, legacies grants and other voluntary income**

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are credited to "designated funds" to distinguish them from direct School income. Donations subject to specific wishes of the donors are carried to the relevant restricted funds or to endowed funds as appropriate.

**Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The irrecoverable element of VAT is included within the item of expense to which it relates.

Governance costs comprise the costs of external audit, any legal advice for the Governors, and all costs of complying with constitutional and statutory requirements, such as preparing statutory accounts and satisfying public accountability. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

**School buildings**

The original School buildings erected before 1929 are all listed properties. They are carried at the amount of the original gift together with the cost of other buildings erected subsequently as the Governors consider it is not appropriate to apply a current value to such property. The School is responsible for keeping these properties in fit and useful condition and such costs are written off as incurred.

**Depreciation**

Depreciation is provided on the original cost of all tangible fixed assets, except freehold land, at rates calculated to write off the cost less estimated residual value based on current market prices of each asset over its expected useful life as follows:

Freehold property	- Over 50 years
Long Leasehold property	- Over 50 years
Equipment and vehicles	- Over 3 to 10 years

**Capitalisation**

Items of equipment and fixtures and fittings are capitalised when part of a new project where the total cost of such items exceeds £50,000. Other incidental costs of equipment are charged to the statement of financial activities under appropriate cost headings.

## ST ALBANS SCHOOL

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

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#### 1 ACCOUNTING POLICIES (continued)

##### Investments

Investment properties are valued as individual investments at their market values as at the balance sheet date. Rental income is recognised in the period to which it relates. Purchases and sales of investment properties are recognised on exchange of contracts. The investment properties at Cheapside Farm are stated at market value as at 23 August 2019, as calculated by Bidwells LLP Chartered Surveyors (regulated by RICS). The Governors believe this to be an accurate estimate of the current open market value.

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

##### Fund accounting

Foundation Maths Fund	-	Restricted funds
Foundation Bursary Fund	-	Restricted funds
St Albans School John Clough Bursary Trust	-	Permanent endowment funds
St Albans School Trust	-	Permanent endowment funds
St Albans School Scholarship & Bursary Trust	-	Expendable endowment funds

The unexpended income of the above trusts is restricted.

The School land at Abbey Gateway, St Albans, has been acquired by gift and purchase over more than one hundred years. All of this School land is permanently endowed and is held in the St Albans School Trust.

The School's other funds are unrestricted except that some funds have been designated by the Governors for certain purposes.

##### Pension scheme

The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School offers membership of a defined contributions pension scheme to non-teaching staff. The School's contributions to the pension schemes are charged to the income and expenditure account as they fall due. See note 20.

##### 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 such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

##### Financial instruments

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

##### Advance fee scheme

Amounts received under the school's Advance Fee Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities.

##### Taxation

The School's surpluses are derived from, and are applied towards, the maintenance of charitable activities and as such are not subject to taxation.



**ST ALBANS SCHOOL**

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

**2 CHARITABLE ACTIVITIES - FEES RECEIVABLE**

	2019 £ 000's	£ 000's	2018 £ 000's	£ 000's
<b>(a) School fees comprise:</b>				
Gross fees	16,081		15,270	
Less: Bursaries, grants and allowances	<u>(1,093)</u>		<u>(1,075)</u>	
		14,988		14,195
Add: Scholarships and bursaries paid for by restricted funds		33		30
Other scholarships and bursaries paid for by unrestricted funds:				
Foundation funds		20		20
		<u>15,041</u>		<u>14,245</u>

**(b) The total grants, awards and prizes paid for by restricted funds comprises:**

	2019 £ 000's	2018 £ 000's
Scholarships	27	24
Music awards	1	1
School Prizes	-	-
Foundation Bursaries	5	5
	<u>33</u>	<u>30</u>

Scholarships and bursaries valued at £835,459 (2018- £828,873) were awarded in the year. Of this total, £562,338 (67%) was awarded through means-tested bursaries. A total of 151 pupils in the School received either a bursary or scholarship during the year (2018: 158) of whom 9 received total remission of fees (2018: 11).

**3 CHARITABLE ACTIVITIES - OTHER EDUCATIONAL INCOME**

	2019 £ 000's	2018 £ 000's
Coaches	676	653
Entrance and registration fees	76	78
Examinations	22	29
Welfare	450	432
School Tours and trips	444	506
Miscellaneous	103	142
	<u>1,771</u>	<u>1,840</u>

**4 OTHER TRADING ACTIVITIES**

	2019 £ 000's	2018 £ 000's
<b>Non ancillary trading income</b>		
Abbey Gateway Enterprises Ltd	309	302
	<u>309</u>	<u>302</u>
<b>Other activities</b>		
Management charges	7	-
Sub-lettings	121	114
Miscellaneous	5	20
	<u>133</u>	<u>134</u>

ST ALBANS SCHOOL

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

5 INVESTMENT INCOME AND INTEREST	2019 £ 000's	2018 £ 000's
<b>Investment income</b>		
UK equities	14	24
Overseas securities	53	31
	67	55
<b>Bank and other interest</b>		
Cash	8	6
	8	6
	75	61

6 DONATIONS RECEIVABLE	2019 £ 000's	2018 £ 000's
Foundation donations	1,780	1,284
Other donations	1	502
	1,781	1,786

7 ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs (Note 8) £ 000's	Other costs £ 000's	Depreciation (see below) £ 000's	Total 2019 £ 000's	Total 2018 £ 000's
<b>Charitable expenditure</b>					
<b>Education and grant making</b>					
Teaching	7,077	2,203	31	9,311	9,190
Welfare	83	604		687	671
Premises	386	1,934	207	2,527	2,233
Support costs of schooling and governance	1,188	1,222	-	2,410	2,442
Grants, awards and prizes	-	61	-	61	55
<b>Total charitable expenditure</b>	8,734	6,024	238	14,996	14,591
<b>Costs of raising funds:</b>					
Financing costs	-	169	-	169	124
Development office	135	73	-	208	228
St Albans School International Ltd	-	-	-	-	376
Abbey Gateway Enterprises Ltd	20	878	-	898	920
Investment management	-	28	-	28	25
<b>Total costs of raising funds</b>	155	1,148	-	1,303	1,673
<b>Total expenditure</b>	8,889	7,172	238	16,299	16,264

Depreciation and other costs relating to the Schools endowed fund properties totalling £635 (2018- £635) have been charged directly to this endowment fund.

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

7 ANALYSIS OF EXPENDITURE (CONTINUED)

(b) Governance included in support costs:	2019 £ 000's	2018 £ 000's
Auditors' remuneration - audit	28	34
- other services		1
- prior year (over)/under provision	(1)	1
Reimbursement of expenses to no (2018 - 1 ) Governors - travel costs	-	-
Other governance costs	5	15
	<u>32</u>	<u>51</u>

8 STAFF COSTS AND RELATED PARTY TRANSACTIONS

Total staff costs comprised:	2019 £ 000's	2018 £ 000's
Salaries and wages	7,193	7,177
Social Security contributions	769	755
Pension contributions	927	896
	<u>8,889</u>	<u>8,828</u>

- (a) None of the Governors received remuneration from St Albans School. No Governor (2018-1) received reimbursement of travel expenses (2018-£105). No Governors (2018 - 3) received remuneration from St Albans School International Ltd.
- (b) During the year the School paid £7,046 in respect of directors' and officers' indemnity insurance (2018 - £8,120).
- (c) The average number of employees in the year calculated on a full time equivalent basis was 157 (2018 -159) of which 99 (2018 - 96) were teaching staff. This equated to total average employees of 178 (2018 - 185).
- (d) During the year there were no termination payments. (2018 - £13,716, all of which was outstanding at the year end).
- (e) Aggregate employee benefits of key management personnel was £792,202 (2018 - £909,108).

The remuneration of the highest paid employees fell within the following bands (excluding pension contributions).

	2019	2018
£60,001 - £70,000	10	6
£70,001 - £80,000	5	2
£80,001 - £90,000	2	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,000 - £119,999	1	-
£120,001 - £130,000	-	1
£150,001 -£160,000	-	1
£170,001 -£180,000	1	-

The number of higher paid employees for whom retirement benefits are accruing under a money purchase scheme amounted to 2 (2018 - 3) and under a defined benefit scheme 18 (2018 - 10).

ST ALBANS SCHOOL

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

9 TANGIBLE ASSETS

Group and School	Freehold property £ 000's	Long Leasehold property £ 000's	Equipment & vehicles £ 000's	Total £ 000's
Cost at 1 September 2018	14,988	270	1,019	16,277
Additions	3,170	-	132	3,302
Disposals	-	-	(362)	(362)
Cost at 31 August 2019	18,158	270	789	19,217
Depreciation at 1 September 2018	1,688	58	949	2,695
Disposals	-	-	(362)	(362)
Charge for year	201	5	31	237
Depreciation at 31 August 2019	1,889	63	618	2,570
Net book value at 31 August 2019	16,269	207	171	16,647
Net book value at 31 August 2018	13,299	212	70	13,581

10 INVESTMENTS

GROUP INVESTMENTS	Unrestricted £ 000's	Designated £ 000's	Endowed £ 000's	Total £ 000's
Valuation at 1 September 2018	6,445	1,413	1,147	9,005
Additions		176	143	319
Disposals at opening market value		(184)	(148)	(332)
Revaluations	154	29	23	206
<b>Group valuation at 31 August 2019</b>	<b>6,599</b>	<b>1,434</b>	<b>1,165</b>	<b>9,198</b>

Group Investments comprise:

	At 31/08/2019 MV £ 000's	At 31/08/2018 MV £ 000's
Cash	154	260
Non-UK investments assets	2,114	2,003
UK investment assets	331	299
Investment properties	6,599	6,443
Equity investment in group undertaking	-	-
	<b>9,198</b>	<b>9,005</b>

School Investments comprise:

	At 31/08/2019		At 31/08/2018	
	MV £ 000's	Cost £ 000's	MV £ 000's	Cost £ 000's
Cash	154	154	260	260
Non-UK investments assets	2,114	1,942	2,003	1,942
UK investment assets	331	237	299	237
Investment properties	6,599	5,859	6,443	5,859
	<b>9,198</b>	<b>8,192</b>	<b>9,005</b>	<b>8,298</b>

The investment properties were valued in August 19 by Bidwells LLP Chartered Surveyors (regulated by RICS).

## ST ALBANS SCHOOL

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

#### 10 INVESTMENTS (*continued*)

##### Other Investments

Three Ordinary £1 shares in John Insomuch Schoolmaster Printer (1479) Limited are held by the directors of the company on behalf of St Albans School. The company is a wholly owned dormant subsidiary. The net assets are insignificant.

Six ordinary £1 shares in Abbey Gateway Enterprises are held by St Albans School. The company is a wholly owned subsidiary. The results have been consolidated with the School accounts (see note 24).

One ordinary £1 share in St Albans School International Limited were held by St Albans School. The company was a wholly owned subsidiary. The company was incorporated on 7th October 2014. The results were consolidated with the school accounts to 18th July 2018, when St Albans School International Limited went into liquidation.

#### 11 DEBTORS

	<b>Group 2019 £ 000's</b>	<b>Group 2018 £ 000's</b>	<b>School 2019 £ 000's</b>	<b>School 2018 £ 000's</b>
<b>Due within one year</b>				
Fees	30	89	30	89
Income tax recoverable	27	20	27	20
Sundry debtors	72	82	65	74
Prepayments	485	482	483	479
	<u>614</u>	<u>673</u>	<u>605</u>	<u>662</u>

#### 12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group 2019 £ 000's</b>	<b>Group 2018 £ 000's</b>	<b>School 2019 £ 000's</b>	<b>School 2018 £ 000's</b>
Bank loans and overdrafts	665	543	665	543
Foundation loan	350	-	350	-
Fees and deposits received in advance	1,789	1,975	1,789	1,975
Trade creditors	942	475	942	459
Other taxation and social security	228	200	207	201
Other creditors	220	221	169	176
Advance fee scheme deferred income	900	531	900	531
Accruals and deferred income	446	401	460	415
	<u>5,540</u>	<u>4,346</u>	<u>5,482</u>	<u>4,300</u>

Pupil Fees Deposits – the total amount held in relation to fee deposits of £711,100 is included above. In the normal course of business the expected repayment of these amounts will be £264,600 (2018: £70,850) within one year and £446,500 (2018: £516,500) after more than one year. The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2019 have been included within current liabilities.

## ST ALBANS SCHOOL

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

#### 13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<b>Group 2019</b>	<b>Group 2018</b>	<b>School 2019</b>	<b>School 2018</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Bank loans	3,456	4,124	3,456	4,124
Foundation loan	-	350	-	350
Other taxation and social security	32	54	-	-
Pension provision - Pensions Trust	165	199	165	199
	<u>3,653</u>	<u>4,727</u>	<u>3,621</u>	<u>4,673</u>

Barclays Bank Plc has a first legal charge over the freehold property 2 Romeland Hill, St Albans. The mortgage is repayable by instalments over 20 years from December 2003 with a variable interest rate of 1.35% over Barclays base rate.

Clydesdale Bank has a first legal charge over the freehold property 31 Fishpool Street. The loan is repayable by instalments over 10 years from September 2011 with a fixed interest rate of 4.35%.

Clydesdale Bank has a first legal charge over the freehold property 25 Fishpool Street, St Albans. The mortgage is repayable by instalments over 10 years from June 2013 with an interest rate of 2% over LIBOR.

Clydesdale Bank has a first legal charge over two trust titles at Cheapside Farm and a second legal charge over a further two titles. The loan is repayable by instalments over 10 years from August 2014 with a fixed interest rate of 5.46%.

A further Clydesdale Bank loan is repayable by instalments over 5 years from June 2019 with an interest rate of 3.51% fixed until June 2022.

#### 14 MATURITY OF DEBT ANALYSIS

	<b>2019</b>	<b>2018</b>
	<b>£ 000's</b>	<b>£ 000's</b>
Amount falling due:		
In one year or less or on demand	665	543
In more than one year but not more than two years	690	562
In more than two years but not more than five years	2,766	1,623
In more than five years	-	1,939
Secured	<u>4,121</u>	<u>4,667</u>

**ST ALBANS SCHOOL**

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

**15 LEASES**

The future minimum lease payments under non-cancellable operating leases are :

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Less than 1 year	-	-	336	328
Between 1 and 5 years	-	-	674	836
Greater than 5 years	-	-	-	-

During the year, operating lease payments of £501,760 were expensed through the Statement of Financial Activities.

**16 CAPITAL COMMITMENTS**

At the year end the School had capital commitments of £2,186,823 (2018-£5,304,429).

**17 ALLOCATION OF THE CHARITY NET ASSETS**

	<b>Tangible assets</b>	<b>Investments</b>	<b>Net</b>	<b>Long term liabilities</b>	<b>2019</b>
			<b>current assets</b>		<b>Total</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>/(liabilities)</b>	<b>£ 000's</b>	<b>net assets</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Permanent endowed funds	15	-	53	-	68
Expendable endowed funds	-	1,164	(95)	-	1,069
Restricted funds	3,935	-	2,733	-	6,668
Unrestricted funds:					
Designated	-	1,438	2,539	-	3,977
School reserves	12,697	6,596	(3,953)	(3,488)	11,852
Pension reserve	-	-	(29)	(165)	(194)
	<u>16,647</u>	<u>9,198</u>	<u>1,248</u>	<u>(3,653)</u>	<u>23,440</u>

	<b>Tangible assets</b>	<b>Investments</b>	<b>Net</b>	<b>Long term liabilities</b>	<b>2018</b>
			<b>current assets</b>		<b>Total</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>/(liabilities)</b>	<b>£ 000's</b>	<b>net assets</b>
	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>	<b>£ 000's</b>
Permanent endowed funds	16	-	52	-	68
Expendable endowed funds	-	1,146	(94)	-	1,052
Restricted funds	765	-	4,477	-	5,242
Unrestricted funds:					
Designated	-	1,416	1,982	-	3,399
School reserves	12,801	6,443	(3,841)	(4,528)	10,875
Pension reserve	-	-	(29)	(199)	(228)
	<u>13,582</u>	<u>9,005</u>	<u>2,548</u>	<u>(4,727)</u>	<u>20,408</u>

**ST ALBANS SCHOOL**

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

**18 SUMMARY OF MOVEMENTS ON MAJOR FUNDS**

	<b>Balance b/fwd 2018 £ 000's</b>	<b>Income £ 000's</b>	<b>Funds spent £ 000's</b>	<b>Transfers £ 000's</b>	<b>Net income/ (expenditure) £ 000's</b>	<b>Gains/ (Losses) £ 000's</b>	<b>Balance c/fwd 2019 £ 000's</b>
<b>SCHOOL</b>							
School Reserve	10,875	17,121	(16,134)	(163)	824	153	11,852
Pension Reserve	(228)		34	-	34	-	(194)
St Albans School International Limited	-	-	-	-	-	-	-
	<u>10,647</u>	<u>17,121</u>	<u>(16,100)</u>	<u>(163)</u>	<u>858</u>	<u>153</u>	<u>11,658</u>
<b>DESIGNATED FUNDS</b>							
Bursary Fund	2,591	33	(16)	163	180	38	2,809
School Tours Fund	24	136	(77)	-	59	-	83
School Foundation Fund	284	361	(60)	-	301	-	585
Stephen Hawking Memorial Fund	500	-	-	-	-	-	500
	<u>3,399</u>	<u>530</u>	<u>(153)</u>	<u>163</u>	<u>540</u>	<u>38</u>	<u>3,977</u>
<b>UNRESTRICTED FUNDS</b>							
	<u>14,046</u>	<u>17,651</u>	<u>(16,253)</u>	<u>-</u>	<u>1,398</u>	<u>191</u>	<u>15,635</u>
<b>RESTRICTED FUNDS</b>							
Scholarship & Bursary Trust	-	27	(27)	-	-	-	-
John Clough Bursary Trust	-	1	(1)	-	-	-	-
Foundation Maths Fund	4,630	1,334	-	-	1,334	-	5,964
Foundation Bursary Fund	612	97	(5)	-	92	-	704
	<u>5,242</u>	<u>1,459</u>	<u>(33)</u>	<u>-</u>	<u>1,426</u>	<u>-</u>	<u>6,668</u>
<b>ENDOWED FUNDS</b>							
<b>Permanent endowed funds</b>							
John Clough Bursary Trust	53	-	-	-	-	1	54
St Albans School Trust	15	-	(1)	-	(1)	-	14
	<u>68</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>1</u>	<u>68</u>
<b>Expendable endowed funds</b>							
Scholarship and Bursary Trust & others*	1,052	-	(12)	-	(12)	29	1,069
	<u>1,120</u>	<u>-</u>	<u>(13)</u>	<u>-</u>	<u>(13)</u>	<u>30</u>	<u>1,137</u>
<b>TOTAL RESERVES</b>	<u>20,408</u>	<u>19,110</u>	<u>(16,299)</u>	<u>-</u>	<u>2,811</u>	<u>221</u>	<u>23,440</u>

\* Others comprise: The George Wishart Prize Fund (£500) and the James Baum Prize Fund (£100).

Transfers are made from the School to the Bursary Funds termly based on pupil numbers so as to fund designated expenditure, which amounted to £948,668. Bursaries and Scholarships of £786,215 were funded from the Bursary Fund.



**ST ALBANS SCHOOL**

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

**18 Continued**

**SUMMARY OF MOVEMENTS ON MAJOR FUNDS - 2018 COMPARATIVE**

	<b>Balance b/fwd 2017 £ 000's</b>	<b>Income £ 000's</b>	<b>Funds spent £ 000's</b>	<b>Transfers £ 000's</b>	<b>Net income/ (expenditure) £ 000's</b>	<b>Gains/ (Losses) £ 000's</b>	<b>Balance c/fwd 2018 £ 000's</b>
<b>SCHOOL</b>							
School reserve	10,320	16,460	(15,760)	(144)	556	-	10,875
Pension reserve	(259)		31	-	31	-	(228)
St Albans School International Ltd	376		(376)		(376)		-
	<u>10,437</u>	<u>16,460</u>	<u>(16,105)</u>	<u>(144)</u>	<u>211</u>	<u>-</u>	<u>10,647</u>
<b>DESIGNATED FUNDS</b>							
Bursary fund	2,437	31	(14)	144	161	(7)	2,591
School tours fund	20	62	(58)	-	4	-	24
School foundation fund	162	167	(45)	-	122	-	284
Stephen Hawking Memorial Fund	-	500	-	-	500	-	500
	<u>2,619</u>	<u>760</u>	<u>(117)</u>	<u>144</u>	<u>786</u>	<u>(7)</u>	<u>3,399</u>
<b>UNRESTRICTED FUNDS</b>	<u>13,056</u>	<u>17,220</u>	<u>(16,222)</u>	<u>-</u>	<u>997</u>	<u>(7)</u>	<u>14,046</u>
<b>RESTRICTED FUNDS</b>							
Scholarship & Bursary Trust	-	24	(24)	-	-	-	-
John Clough Bursary Trust	-	1	(1)	-	-	-	-
Foundation Maths Fund	3,608	1,022	-	-	1,022	-	4,630
Foundation Bursary Fund	516	101	(5)	-	96	-	612
	<u>4,124</u>	<u>1,148</u>	<u>(30)</u>	<u>-</u>	<u>1,118</u>	<u>-</u>	<u>5,242</u>
<b>ENDOWED FUNDS</b>							
<b>Permanent endowed funds</b>							
John Clough Bursary Trust	53	-	(0)	-	(0)	(0)	53
St Albans School Trust	16	-	(1)	-	(1)	-	15
	<u>69</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>(0)</u>	<u>68</u>
<b>Expendable endowed funds</b>							
Scholarship and Bursary Trust & others*	1,069	-	(11)	-	(11)	(6)	1,052
	<u>1,138</u>	<u>-</u>	<u>(12)</u>	<u>-</u>	<u>(12)</u>	<u>(7)</u>	<u>1,120</u>
<b>TOTAL RESERVES</b>	<u>18,318</u>	<u>18,368</u>	<u>(16,264)</u>	<u>-</u>	<u>2,104</u>	<u>(14)</u>	<u>20,408</u>

\* Others comprise: The George Wishart Prize Fund (£500) and the James Baum Prize Fund (£100).

Transfers are made from the School to the Bursary Funds termly based on pupil numbers so as to fund designated expenditure, which amounted to £868,845. Bursaries and Scholarships of £720, 285 were funded from the Bursary Fund.

Transfers from the Foundation Fund to the School Fund are in respect of donations received towards projects which have been capitalised. Transfers from the Foundation Fund to the Foundation Bursary fund are in accordance with donors' wishes.

## ST ALBANS SCHOOL

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

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#### **19 PURPOSE OF FUNDS**

##### **(a) Designated:**

- (i) The Bursary Fund exists to fund bursaries for pupils of the School. The balance available is reviewed annually.
- (ii) School Tours fund exists to account for monies received and expended on school tours and sports tours.
- (iii) School Foundation fund exists to account for and hold unrestricted donations received by the St Albans School Foundation either through regular giving, specific donations or legacy donations (except for donations to bursaries (see below). The details of the expenditure of the donations are published annually in the Foundation Annual Report.
- (iv) The Professor Hawking Memorial Fund is a designated fund which aims to raise funds to finance a range of St Albans School initiatives to further the legacy of Professor Hawking.

##### **(b) Restricted:**

- (i) The Foundation Bursary Fund receives donations made to the Foundation where donors request monies to be applied towards bursaries.
- (ii) The Foundation Maths Fund is a restricted fund for the purpose of developing a new maths centre at the school. It is funded to date by specific donations.

##### **(c) Endowed as to capital and Restricted as to income arising from that capital:**

##### **Expendable endowment:**

- (i) The Scholarship & Bursary Trust exists to fund scholarships of up to half of a full fee, which are awarded following competitive examination to pupils entering the School at age 11, 13 and 16. Scholarships are awarded in art and music in addition to academic excellence.

##### **Permanent endowment:**

- (ii) The John Clough Bursary Trust, established in memory of a former Head of Music at the School, exists to help defray the cost of additional music tuition. Bursaries are awarded for two years, following competitive performance on the recommendation of distinguished independent adjudicators.
- (iii) The St Albans School Trust was founded with the object of providing and conducting, in or near St Albans, in the County of Hertfordshire, a day school for boys and also for girls in the Sixth Form. On 31 August 2003 the unrestricted and restricted activities of the trust were transferred to the company, St Albans School. The Trust holds the permanently endowed property of the School.

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

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**20 PENSION SCHEMES**

**Teaching staff**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £763,638 (2018: £753,036) and at the year-end £nil (2018 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

**Non-teaching staff**

Non-teaching staff are offered membership of defined contribution schemes offered by The Pension Trust. The employer's contributions are charged in the Statement of financial Activities in the period in which the salaries to which they relate are due. During the accounting period, The School paid contributions to non-teaching staff pensions totalling £162,023

## ST ALBANS SCHOOL

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

Some staff continue to hold funds in Growth Plan series I to III, although no contributions were made after 30th September 2013. This is a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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

#### PRESENT VALUES OF PROVISION

	<b>31 Aug 2019 (£000's)</b>	<b>31 Aug 2018 (£000's)</b>	<b>31 Aug 2017 (£000's)</b>
Present value of provision	194	228	259

#### RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	<b>Period Ending 31 Aug 2019 (£000's)</b>	<b>Period Ending 31 Aug 2018 (£000's)</b>
Provision at start of period	228	259
Unwinding of the discount factor (interest expense)	4	3
Deficit contribution paid	(32)	(30)
Remeasurements - impact of any change in assumptions	4	(4)
Remeasurements - amendments to the contribution schedule	(10)	-
Provision at end of period	194	228

## ST ALBANS SCHOOL

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

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#### PENSION SCHEMES cont

##### INCOME AND EXPENDITURE IMPACT

	<b>Period Ending 31 Aug 2019 (£000's)</b>	<b>Period Ending 31 Aug 2018 (£000's)</b>
Interest expense	4	3
Remeasurements – impact of any change in assumptions	4	(4)
Remeasurements – amendments to the contribution schedule	(10)	-

##### ASSUMPTIONS

	<b>31 Aug 2019 % per annum</b>	<b>31 Aug 2018 % per annum</b>	<b>31 Aug 2017 % per annum</b>
Rate of discount	0.97	1.68	1.2

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

##### DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	<b>31 Aug 2019 (£000's)</b>	<b>31 Aug 2018 (£000's)</b>	<b>31 Aug 2017 (£000's)</b>
Year 1	34	31	30
Year 2	35	32	31
Year 3	37	33	32
Year 4	38	34	33
Year 5	39	35	34
Year 6	16	36	35
Year 7	-	37	36
Year 8	-	3	37
Year 9	-	-	3
Year 10	-	-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the School's balance sheet liability.

ST ALBANS SCHOOL

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

21 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND-TYPE

	Notes	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Endowed Funds £ 000's	2018 £ 000's
<b>Income and endowments from:</b>					
<b>Charitable activities</b>					
School fees receivable	2	14,245	-	-	14,245
Other educational income	3	1,840	-	-	1,840
<b>Other trading activities</b>					
Non- ancillary trading income	4	302	-	-	302
Other activities	4	134	-	-	134
<b>Investments</b>					
Investment income and interest	5	31	30	-	61
<b>Donations and legacies</b>					
Donations	6	668	1,118	-	1,786
<b>Total income</b>		<b>17,220</b>	<b>1,148</b>	<b>-</b>	<b>18,368</b>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Financing costs		124	-	-	124
Development office		228	-	-	228
St Albans School International Ltd		376	-	-	376
Non ancilliary trading		920	-	-	920
Investment management costs		14	-	11	25
<b>Total deductible costs</b>		<b>1,662</b>	<b>-</b>	<b>11</b>	<b>1,673</b>
<b>Charitable activities</b>					
Education		14,560	30	1	14,591
<b>Total expenditure</b>		<b>16,222</b>	<b>30</b>	<b>12</b>	<b>16,264</b>
<b>Net incoming/(outgoing) funds from operations before transfers and investment gains</b>					
		998	1,119	(12)	2,104
Gains/(losses) on other investments		(7)	-	(7)	(14)
<b>Net movement in funds for the year</b>		<b>991</b>	<b>1,118</b>	<b>(19)</b>	<b>2,090</b>
<b>Fund balances brought forward at 1 September 2017</b>		<b>13,055</b>	<b>4,124</b>	<b>1,139</b>	<b>18,318</b>
<b>Fund balances carried forward at 31 August 2018</b>	20	<b>14,046</b>	<b>5,242</b>	<b>1,120</b>	<b>20,408</b>

ST ALBANS SCHOOL

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

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22 ST ALBANS SCHOOL INTERNATIONAL LTD FINANCIAL STATEMENTS

	2019	2018
	£	£
<b>BALANCE SHEET</b>		
INVESTMENTS IN JOINT VENTURE		20
<b>CURRENT ASSETS</b>		
Debtors	-	91,440
Cash at bank and in hand	-	12,610
	<u>-</u>	<u>104,050</u>
<b>CURRENT LIABILITIES</b>	-	(152,934)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<u>-</u>	<u>(48,884)</u>
<b>CREDITORS FALLING DUE AFTER ONE YEAR</b>		(300,000)
<b>TOTAL NET ASSETS /(LIABILITIES)</b>	<u>-</u>	<u>(348,864)</u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	-	1
Profit and loss account	-	(348,865)
	<u>-</u>	<u>(348,864)</u>
<b>PROFIT AND LOSS ACCOUNT</b>		
Turnover	-	-
Operating costs	-	-
<b>GROSS PROFIT</b>	<u>-</u>	<u>-</u>
Administrative expenses	-	(364,771)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>-</u>	<u>(364,771)</u>
Tax expense	-	-
<b>RETAINED PROFIT/(LOSS) FOR THE YEAR</b>	<u>-</u>	<u>(364,771)</u>

St Albans School International Limited results to 18th July 2018 are consolidated within the Charity comparatives, at which point, the company entered liquidation, managed by Grant Thornton. A nil balance sheet for St Albans International Limited was included in the consolidated results at the year end 31 August 2018

ST ALBANS SCHOOL

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

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23 ABBEY GATEWAY ENTERPRISES LTD FINANCIAL STATEMENTS

	2019	2018
	£	£
<b>BALANCE SHEET</b>		
<b>CURRENT ASSETS</b>		
Stock	51,594	52,712
Debtors	8,085	10,732
Cash at bank and in hand	88,451	82,895
	<u>148,130</u>	<u>146,339</u>
<b>CURRENT LIABILITIES</b>	(58,007)	(46,259)
<b>NET CURRENT ASSETS</b>	<u>90,123</u>	<u>100,080</u>
<b>CREDITORS FALLING DUE AFTER ONE YEAR</b>	(32,289)	(53,805)
<b>TOTAL NET ASSETS</b>	<u><u>57,834</u></u>	<u><u>46,275</u></u>
<b>CAPITAL AND RESERVES</b>		
Called up share capital	6	6
Capital redemption reserve	1	1
Profit and loss account	57,827	46,268
	<u><u>57,834</u></u>	<u><u>46,275</u></u>
<b>PROFIT AND LOSS ACCOUNT</b>		
Turnover	970,678	975,845
Operating costs	(864,640)	(878,755)
<b>GROSS PROFIT</b>	<u>106,038</u>	<u>97,090</u>
Administrative expenses	(94,478)	(117,672)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>11,560</u>	<u>(20,582)</u>
Tax expense	-	-
<b>RETAINED PROFIT FOR THE YEAR</b>	<u><u>11,560</u></u>	<u><u>(20,582)</u></u>

Abbey Gateway Enterprises Limited (registered company number - 03451049) results are consolidated with the Charity. The company became a fully owned subsidiary of St Albans School on 1 September 2016.



## ST ALBANS SCHOOL

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

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#### **24 RELATED PARTY TRANSACTIONS**

No Directors of St Albans School International Ltd (2018-3) received any remuneration from St Albans School International Ltd. (2018 - £44,668) P Brown received £ nil (2018-£11,126), S Majumdar received £nil (2018- £13,577 ), and C McIntyre £nil (2018 - £19,965)

St Albans School charged Abbey Gateway Enterprises Ltd management fees of £5,900 in the year to 31 August 2019 and no amounts were outstanding at the year end. Abbey Gateway Enterprises Ltd received income amounting to £661,317(2018 - £691,522) from St Albans School which included the licence fee for the use of sports facilities and sales to the School of sports kit. No amounts were outstanding at the year end. The position of the single entity is shown in note 24.

Woollam Playing Field Trust charged Abbey Gateway Enterprises Ltd licence fees, for the use of sports facilities, of £788,160 (2018 -£782,556) in the year to 31 August 2019 and no amounts were outstanding at the year end. Woollam Playing Field Trust charged St Albans School licence fees, for the use of sports facilities, of £250,000 and St Albans School charged Woollam Playing Field Trust management charges of £5,000. No amounts were outstanding at the year end.