

St Swithun's School (Winchester)

(A company limited by guarantee)

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

St Swithun's School (Winchester)

(A company limited by guarantee)

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St Swithun's School (Winchester) (a company limited by guarantee)

COMPANY INFORMATION

MEMBERS OF THE COUNCIL

Council Members, who are directors of the company, trustees of the charity and the governors of the school, who served at any time during the year, are listed below:-

Mrs A McGhee (McClure) LLB * (Chair) * d ^ # ☼
Professor N J Lee LLB (Hons), Barrister * d ^ # ☼ (Chair until 12 July 20)
The Dean of Winchester (ex-officio). The Very Revd C Ogle MA MPhil DLitt
The Right Worshipful the Mayor of Winchester (ex-officio). Cllr E Bell (Resigned May 2020)
The Headmaster of Winchester College (ex-officio). Dr T R Hands BA AKC DPhil ☼
Mr R Adam DipArch RIBA FRSA * d
Mrs E J K Clancey BA (Hons) ^ #
Mrs N de Kretser MA *
Mrs J C Eager BEd, MSc ☼
Mr A J W Lilley LLB * ^
Dr H D Mycock BM, Dip RCGP, Cert Med Educ, Dip Occ Med * ☼
Mrs S J Parrish MA FIET FBCS CIP * (Vice-Chair from 12 Jul 20)
Mrs A-L Peters BSc (Hons), FCA * d ^ # (Treasurer, ex-officio)
Mrs F Robinson LLB (Hons) # ☼
Mr J Russell BSc (Hons), MSc * d
Dr C Thorne BA Hons, MSc, PhD # ☼
Mr J R Tyson BSc (Hons) *
Dr J Webster ☼

* Member of the Standing Committee

d Member of the Development Committee

^ Member of the Nomination and Remuneration Committee

Member of the Bursary, Fundraising & Public Benefit Committee

☼ Member of the Education Committee

The Treasurer is elected by the Council and is an ex-officio member of the Council while holding that office.

All other members who are not ex-officio are elected to the Council by the Council and are required to stand for re-election every three years. Members retire after a maximum of three periods of office. Professor Lee retired from Council with effect from 12 July 2020.

Officers

The Head of St Swithun's School -
The Head of St Swithun's Prep School -
The Bursar and Clerk to the Council -

Ms J S Gandee MA, PGCE
Mrs R Lyons-Smith BSc (Hons), PGCE, MBA
Mr M J Gamble MA

Other senior management personnel

Deputy Head Pastoral - Senior School
Deputy Head Pastoral – Prep School
Deputy Head Academic – Senior School
Deputy Head Academic – Prep School
Head of Boarding and Designated Safeguarding Lead
Head of Outreach & Partnership
Finance Bursar
Operations Bursar
Head of Development

Mr G Yates MA, PGCE, BA (Hons)
Mrs K Grosscurth BSc (Hons), PGCE
Mr C Hammel AB, MLitt
Mrs H Saunders BEd (Hons)
Miss H Carruthers BEd (Hons)
Mr S Mayes BA
Mrs J Bollard BSc, ACA
Mrs S Culley
Mrs V Vere Hodge BA (Hons), MinstF (Cert)

St Swithun's School (Winchester) (a company limited by guarantee)

COMPANY INFORMATION (*continued*)

ADDRESS AND REGISTERED OFFICE

St Swithun's School
Alresford Road
Winchester
Hampshire
SO21 1HA

ADVISORS

Bankers

National Westminster plc
105 High Street
Winchester
Hampshire
SO23 9AW

Solicitors

Godwins Solicitors
12 St Thomas Street
Winchester
Hampshire
SO23 9HF

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Insurer Brokers

Marsh Education Practice
Capital House
1-5 Perrymount Road
Haywards Heath
RH16 3SY

Website

www.stswithuns.com

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

The Council submits its annual report and strategic report for the year ended 31 July 2020, under the Charities Act 2011, together with the audited financial statements for the year, and confirms that the latter comply with the requirements of the Companies Act 2006 and the Charities SORP(FRS102) 2015.

REFERENCE AND ADMINISTRATION

St Swithun's School (the school) was founded in 1884, and incorporated as a Company Limited by Guarantee in 1910. As such, it has no share capital. The school is registered as Company number 110692 and Charity number 307335.

AIMS AND OBJECTIVES

Objects

The object of the school, as defined in the Articles of Association, is to provide sound and thorough education for girls and young children of both sexes in accordance with the principles of the Church of England. The Governors interpret this to mean that St Swithun's will provide an excellent academic education and nurture the spiritual, moral, social, cultural and physical development of its pupils. St Swithun's is a leading GSA (Girls' School Association) school offering day, weekly boarding and full boarding for some 520 girls aged 11-18. The adjoining IAPS Prep School (Independent Association of Prep Schools) caters for girls aged 4-11, with a co-educational nursery from age 3.

Aims

In order to achieve the stated object of the school, the following aims were agreed by Council during the previous period and re-affirmed in February 2019:

- **Academic.** To prepare girls for public examinations and higher education in a stimulating and scholarly environment in which the girls develop intellectual curiosity, independence of mind and the ability to take responsibility for their own learning. They are encouraged to achieve their personal best. Prep school girls are prepared for entry into senior school at age eleven
- **School community.** To provide a happy, safe and supportive community based on Christian values in which all girls are given the space to develop their spirituality and are encouraged to understand and celebrate difference, and to be kind to others
- **Co-curricular.** To provide a wide range of opportunities beyond the classroom so that girls can discover individual passions and develop a range of characteristics such as resilience, initiative, creativity, perseverance, self-confidence, the ability to work in a team and to honour one's commitments. To encourage habits to ensure good physical and mental health both at school and in the future such as exercise, healthy eating and the art of relaxation
- **Beyond the school gates.** To teach the girls compassion, an understanding of the wider world and their role in it, a sense of duty and a desire for justice
- **Looking towards the future.** To provide high-quality higher education and careers advice and a supportive old girls' network
- **Keeping in touch.** To communicate in a timely and constructive fashion with parents and other members of the St Swithun's family in order to develop relationships conducive to offering the best possible education.

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

AIMS AND OBJECTIVES (continued)

While these aims apply across the school, the Prep school has the following complementary aims:

- To provide a secure nurturing environment where the spirit of cooperation and respect for others is paramount
- To meet the intellectual, physical and emotional needs of each individual child by offering a broad, balanced, stimulating and differentiated curriculum and by fostering high self-esteem, self-motivation and self-expression
- To create an environment where children are valued, cherished and challenged and as a result learn to the best of their ability
- To have a happy school with smiling, confident and articulate children, where everyone feels a sense of worth.

Objectives for the Year

The objectives for this year have been:

- to continue to provide a well-ordered, efficiently managed, supportive environment in which each child would be able to fulfil his/her intellectual physical and creative potential and take responsibility for his/her learning. In the Prep school children are encouraged to develop independence, self-motivation and self-esteem
- to continue to achieve a high level of academic performance
- to continue the programme of improvement to educational, residential and other facilities
- to provide public benefit through our charitable activities
- to continue the fund raising campaign to provide bursary funds that provide financial support to those unable to afford fees
- to achieve a reputation as a school that is well known for its:
 - excellent all-round education
 - forward-looking pedagogy
 - scholarship and the attitudes of mind it develops in its students
- to enhance St Swithun's reputation which may lead to it being oversubscribed
- to generate an annual surplus of at least 10% of fee income allowing continuous investment in new facilities and a rolling maintenance programme.

In setting their objectives for the year and planning activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary guidance on advancing education and fee-charging, noting the amendments made following the judicial review in 2011. They have also noted and responded to governmental expectations that independent schools increase the extent to which they share their facilities with maintained schools and the local community.

Principal Activities of the Year

St Swithun's principal activity continues to be the provision of education for girls and young children of both sexes in accordance with the principles of the Church of England, and the letting of our facilities for both charitable and commercial purposes.

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

PUBLIC BENEFIT

Widening access

Bursaries have been awarded over the past year at a cost of £1,133,383 (7.8% of fee income) to some 61 pupils, of which 27 were 100% of fees. In order to truly widen access, bursaries are available to cover both fees and other necessary expenses appropriate for a pupil at the school. We also provide 23 scholarships for girls to St Katherine's School, Lira, Uganda. To learn how you can support us, read about our Bramston Bursary Fund.

State school partnerships

We have a number of educational partnerships with local primary schools with tuition, transport and facility costs for these covered by St Swithun's.

Partnerships include:

Oliver's Battery Primary School

- Over 30 pupils from Oliver's Battery visit St Swithun's each week for academic enrichment sessions (maths, science, French, art or drama) led by St Swithun's staff and pupils.
- Pupils from St Swithun's visit Oliver's Battery to deliver weekly individual reading support to 20 pupils.
- 35 pupils from Oliver's Battery visit St Swithun's for weekly swimming lessons.
- This activity benefits 120 pupils from Oliver's Battery each year.

All Saints Primary School

- Over 30 pupils from All Saints visit St Swithun's for weekly drama enrichment sessions, led by St Swithun's staff and pupils.
- Pupils from St Swithun's visit All Saints to deliver weekly individual reading support to 20 pupils.
- St Swithun's pupils volunteer at All Saints, helping with pre-term preparations.
- The Head of Outdoor Learning at St Swithun's Prep School is working with her counterpart at All Saints to develop All Saints' outdoor learning programme.

Winnall Primary School

- Over 30 pupils from Winnall visit St Swithun's for weekly academic enrichment sessions (science) led by St Swithun's staff and pupils.
- Pupils from St Swithun's visit Winnall to deliver weekly individual reading support
- St Swithun's pupils volunteer at Winnall, helping with pre-term preparations.

Sun Hill Primary School

- 60 pupils from Sun Hill visit St Swithun's for weekly swimming lessons

Four Marks Primary School

- 60 pupils from Four Marks have the use of St Swithun's swimming pool for weekly swimming lessons.

Itchen Abbas Primary School

- Pupils from Itchen Abbas benefit from visits from a St Swithun's member of staff to teach Greek.

St Faith's Primary School

- Year 5 and 6 pupils from St Faith's benefit from visits from a member of St Swithun's staff to teach philosophy.

Holiday Clubs for Primary School Pupils

- In conjunction with Winchester City Penguins Swimming Club, we run holiday swimming tuition and activity programmes based at St Swithun's for children from the Winnall and Highcliffe areas who receive pupil premium funding. We run 10 of these days each year with over 30 children attending each day free of charge.

Science in a Suitcase

- We have created "Science in a Suitcase" – a portable science resource available for local primary schools to borrow which will enable their staff to deliver practical science sessions to pupils in their own schools.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

State school partnerships (continued)

Sporting partnerships

- We have developed a partnership with [Energise Me](#) to support the provision of sport to young people in Hampshire. This includes hosting primary school sports competitions and the #This Girl Can conference at St Swithun's. This positively impacts over 300 young people a year.
- We also host an annual cross-country championship for Hampshire schools, involving over 400 athletes.

Educational partnerships and shared teaching resources

Members of St Swithun's teaching staff undertake the following volunteer work:

- Deliver critical thinking skills and philosophy workshops for two local primary schools
- Organise a debating collaboration with local state schools
- 4 staff act as a governors for local state schools
- Act as an educator for the Holocaust Educational Trust, undertaking both outreach programmes in state schools and taking groups of students to Auschwitz.
- Provide weekly one-to-one reading support in local primary schools
- Organise and host:
 - the following academic conferences for local state schools: classics, theology and languages, classics, history and archaeology, archaeology and anthropology
 - a Winchester philosothon competition for all local state schools
 - a biennial GAP Fair and Careers Fair which is open to pupils from the local community
 - an annual 'Meet the Scientist' event which is open to local sixth form colleges
 - an annual festival involving over 300 pupils and visitors from local state schools and organisations
 - Oxbridge talks for pupils from local state schools which run twice a year.
 - a series of lectures throughout the year featuring high profile visiting speakers which are attended by local schools and organisations free of charge.
- Widen access to philosophy in local state schools through fellowship of the RSA.
- Provide mentoring for PGCE undergraduates and NQTs
- Regularly provide work experience/observation days for students from Winchester University
- Share CPD opportunities with staff from the local states schools, including:
 - inviting staff from local colleges to attend conferences
 - organising CPD sessions free of charge for local primary school teachers
 - welcoming over 20 teaching assistants from local primary schools to a Teaching Assistants course.
- Our minibuses and drivers are used throughout the year to transport local primary school pupils to sporting and academic events.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

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Educational partnerships and shared teaching resources (continued)

Mathematics Hub

St Swithun's has developed a reputation as a hub for mathematical activities within the region, and regularly hosts teachers from schools to discuss mathematical and ICT-related topics.

Biennially we run the Regional Final of the UKMT Team Maths Challenge, hosting 24 state and independent schools. We also host the 2-day UKMT Maths Circle for up to 50 gifted and talented Year 10 students from local state/independent schools.

St Swithun's hosts an annual Maths Inspiration event, consisting of mathematical talks which attracts hundreds of young mathematicians from local state schools and colleges.

Our head of mathematics is committed to supporting UKMT, the non-profit organisation which runs UKMT Maths Challenges, Team Maths Challenges and Olympiads. He writes questions for various UKMT competitions and is in charge of the marking of the Year 9 Olympiad nationally.

Service to the community

- All year 10 pupils visit local nursing homes each week for a term and our sixth form pupils and staff host an annual afternoon tea party for a group from Contact the Elderly.
- Pupils undertake 1742 hours of volunteering as part of the Duke of Edinburgh Award scheme. Beneficiaries include Riding for the Disabled, Winchester Nightshelter, Oxfam, Abbeygate Care Home and the EdClub Movement.
- Each year, Year 11 pupils take part in a Community Service week in the summer term supporting Unit 12, a local community centre in Winnall.
- Sixth form girls take part in The National Citizenship Service each summer.
- Our Performing Arts Centre manager provides technical advice, guidance and support to the Chesil Theatre, Winchester.
- Every year, the whole school participates in a Harvest festival collection for the Basics Bank and Nightshelter charities
- Pupils regularly volunteer at Winchester NCT events, helping them to raise money for this charity.

Sharing facilities

Each year we share our facilities at a discounted charitable rate with a number of local organisations and charities, which have included:

Alresford Community Choir	Local historic churches group
Cerebral Palsy Swimming Gala	St Cross Symondians Cricket Club
Click Sargent	Leigh House Hospital
Easton & Martyr Worthy Cricket Club	Walking with the Wounded
England Lacrosse	Hampshire & Isle of Wight Air Ambulance
Goalball	Hampshire Ornithological Society
Hampshire County Council Children's Services	Winchester Hospice
Hampshire County Youth Band	Winchester Women's Refuge
Hampshire Music Service	Winchester City Penguins Swim Club
Hampshire & Isle of Wight Air Ambulance	Winchester Girl Guides Division

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Fundraising

Each year the school community selects three charitable organisations to support during the year, from a range of charities nominated by pupils. Where possible representatives of these charities visit and speak to pupils, or send resources so the Assist Team - made up of girls in the 6th form can raise awareness of the charities. Almost all fundraising events throughout the year support these causes. School charities for 2019/20 were Great Ormond Street Hospital, Plastic Oceans and I-India that runs a school for street children in Jaipur.

Unfortunately, the Coronavirus prevented a significant amount of our fundraising from taking place, including our main fundraising day, which is traditionally held on the last day of the Easter Term. Despite this, pupils still managed to raise £8,000. We also worked with one of our partner charities, Plastic Oceans to trial and refine an education day with our L4, which they will now use in schools around the country to help reduce plastic waste in schools. All Year 9 pupils embark on The Big Give – a philanthropy five-week course which donates money to a range of charities.

In addition, pupils and staff have supported the Winchester Women's Refuge, Heads Together, the Australian Bush Fires emergency fund, the Albert Kennedy Trust, the Winchester Basics Bank, Winchester Cathedral, The Little Princess Trust, and our sister school St. Katherine's, Uganda through a range of fundraising and practical activities.

In the last year, pupils and staff at St Swithun's Prep School have supported, Save the Children and World Trust, raising over £1,000 for these causes.

The senior school charities for 2020/21 have been chosen by pupils as Centrepoint, Bloody Good Period and Behcets UK.

STRATEGIC REPORT

FINANCIAL REVIEW

Record of achievements and performance for the year

In 2019/20 the school had 519 pupils in the senior school and 198 in the Prep school. In addition to academic achievements, both schools maintained a full programme of sporting, musical and artistic activities during the year, in so far as was allowed under the Covid restrictions.

The school can again justifiably claim to be among the highest achieving girls' schools in the country, consistently achieving excellent results in public examinations at both GCSE and A Level.

In summer 2020 both A levels and I/GCSEs were awarded using an exceptional process due to the cancellation of public examinations as a result of the Covid-19 pandemic. Qualifications were awarded on the basis of grades submitted to the examination boards for verification by schools based on the academic judgements of teachers and supported by a range of specified evidence.

At a level 39.9% of entries were awarded A*, compared with the 2020 national average of 14.3% for all schools in the UK. 82.3% of entries were awarded A* or A grades, compared with 38.1% for all schools in the UK.

At GCSE level 62.7% of entries were graded 9/8/A*, compared with the 2020 national average of 15.3% for all schools in the UK. 84.9% of entries were awarded grades 7/A and above compared with 27.5% for all schools in the UK.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

Record of achievements and performance for the year (continued)

The school was inspected by the Independent Schools Inspectorate in January 2020. The inspections covered Regulatory Compliance only and both senior and Prep schools had fully met all the standards in the regulations and were therefore judged compliant.

Financial results of the school and school letting company

The financial results for the year were below expectations; full details are shown in the attached financial statements and the results have been summarised below:-

The Unrestricted Net Incoming Resources amounted to a deficit of £254,978 (2019: surplus of 637,022) with no FRS102 pension adjustment required. This was added to the brought forward funds to give an amount of £29,135,797 attributable to the unrestricted fund at the year-end.

The statement of financial activities (SOFA) on page 31 contains details of the incoming resources for the year. Included in total incoming resources of £14.64M is £13.06M of net school fees (89%). Gross fees for the year were £1.46M lower than expectation. Total resources expended were £600K lower than expected at £14.87M, of which £14.6M (98%) was used in the charitable activities of the charity.

The results for the year are lower than expected due to the reduction in provision offered due to Covid-19 site closure. Full details of the measures taken to mitigate the financial effect of the Covid-19 pandemic and the future response are contained in the Going Concern section below.

In the restricted and endowment funds, the overall surplus for the year amounted to £13,046 (2019: surplus of £151,308). This includes donations for bursary provision of £150,971 and income from restricted investments of £43,927, and leaves £1,686,928 attributable to restricted funds and £72,325 to endowment funds at the year end.

All taxable profits from the Letting Company are transferred to the school by gift aid to further support our charitable aims.

Covid-19 effects and response, and Going Concern evaluation

The Council has considered several factors when forming their conclusion as to the use of the going concern basis for the preparation of these financial statements including a review of the updated forecasts to 31 July 2022 and a consideration of the key risks, including the impact of Covid-19, that could negatively impact the school and working capital requirements.

Council reviews all known major risks to the school and states the action being taken to alleviate them on a rolling annual basis. The key risks to which the school is subject are highlighted in the strategic report. In addition, the Covid-19 pandemic outbreak has been an evident risk that materialised this year. The risk of further closure or partial closures is being actively managed with Council by a bespoke working group. Sustaining and increasing pupil numbers remains a key risk, which is assessed on an ongoing basis.

The Covid-19 pandemic had a significant immediate impact on the school's operations and financial position and in line with government guidance the school closed on 20th march and remained closed throughout the summer term, instead operating a remote learning programme. In response to covid-19 robust, prompt action was taken with an additional working capital reserve drawn from the Government-backed CBILS scheme, support for staff costs through the Coronavirus Job Retention Scheme, deferral of some capital projects and the cancellation of others plus the establishment of a specific bursary fund for families who had incurred significant sudden hardship due to Covid. Fee levels for the summer term were reviewed and a reduced fee level applied impacting gross fees by £1.9m.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

Covid-19 effects and response, and Going Concern evaluation (continued)

Fee rates for the current academic year have been frozen. The school has made a cautiously positive start to the school year with 696 pupils. This is three above the budgeted roll set in August 2020. Fee income for the first term of the 2020/21 school year has been strong with an indication that payment of fees will be consistent with previous years. No additional bursaries as a result of Covid-19 have been awarded as yet. Expenditure is being closely controlled and includes a freeze on salary levels.

At the year-end, the school had surplus free reserves of £2.28M. This comprises £5.29M cash available in working capital less net creditors of £3M. As noted above a further £2M of working capital reserve by way of a bank facility was provided in August 2020 under the CBILS scheme. Council reviews the School's financial plans on a termly basis by monitoring income and expenditure against forecasts within the context of the annual budget and a rolling 10 year financial plan. Cash flows are also closely reviewed, particularly in the light of the School's borrowing commitments and repayment requirements. Financial sensitivity analysis is incorporated into Council information, centred on key assumptions (roll, fees, and staff costs).

The school's strategic development plan remains dynamic and will be further reviewed once the impact of the ongoing Covid-19 pandemic is known. It is not anticipated that this will change the underpinning aims, vision or ethos of the school.

Having regard to all the above, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are 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 Members Responsibilities on page 27.

School reserves policy

At 31 July 2020 the Group has total net assets and reserves of £30,895,050. This comprises restricted funds of £1,686,928, endowment funds of £72,325 and unrestricted funds (including equity in fixed assets) of £29,135,797. The total value of the school's fixed assets, which are all held for use in the school, is £31,684,306, against which asset-specific creditors (bank loans) are held of £4,826,083. Free reserves, defined as unrestricted funds less fixed assets (net of asset-specific loans) are in surplus by £2,277,574. This comprises unrestricted current assets of £5,291,427 less other net current liabilities of £2,838,484 and long term creditors, (excluding bank loans) of £175,369. There is also a designated fund of £422K to meet future contributions to the closed legacy retirement benefit scheme for support staff.

Council have considered an appropriate target level for the school's free reserves. Having regard to the likelihood of financial risks and mitigating factors, the trustees consider the target level of free reserves for the charity should be approximately 2 months expenditure (currently forecast at £2.29M) against which the figure reached in the current year, as above, is £2.28M. In addition, the school hold some £1.9M equity (at cost) in its disposable properties, which could be sold or mortgaged to generate additional funding if required.

At the year-end, the unrestricted cash at bank of £5,291,427 is available for working capital requirements. In addition, per note 23, a further £2M of loan finance was drawn down in August 2020 to provide a further reserve of working capital if required.

It is felt that this school reserves policy remains a valid position.

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

School reserves policy (continued)

Council reviews the School's financial plans on a termly basis by monitoring income and expenditure against forecasts within the context of the annual budget and a rolling 10 year financial plan. Cash flows are also closely reviewed, particularly in the light of the School's borrowing commitments and repayment requirements.

The Council is of the opinion that given the current balance sheet and financial projections, future pupil registrations, as well as available banking facilities and disposable properties there is no need to set aside additional free reserves.

Investment powers, policy and performance

The investment power of the Council is given by the Articles of Association. The current policy is that all investments must be safe and ethical and advice is sought as required before new investments are made. Sufficient working capital is held in an instant access interest bearing account to meet all requirements as they fall due. Investments which represent the composition fee fund are held in UK Government gilts, and the remaining investments are held in fixed term cash deposits and charity-specific equity based managed funds.

The total return performance of the significant restricted investment is assessed against an industry benchmark, alternative equivalent charity product and LIBOR + 3%.

The performance in the year exceeded the above assessment criteria and will continued to be reviewed termly to ensure it is meeting two of the above three assessment criteria. The major investment is with CCLA where the investment fund has a total return of 6.15% against an industry benchmark of 0.4% and LIBOR+3% of 3.3%.

PLANS FOR THE FUTURE

The school reviewed and reaffirmed its aims, ethos and vision during the previous period. Its aims, in pursuit of its charitable object, have been outlined above. The school's strategic development plan remains dynamic and will be further reviewed once the impact of the ongoing Covid-19 pandemic is known. It is not anticipated that this will change the underpinning aims, vision or ethos of the school, although it is anticipated that these will be distilled into a more focussed form.

The ethos of the school

St Swithun's is an 'appropriately academic' school that celebrates intellectual curiosity and the life of the mind, but not to the exclusion of all else. Pupils are expected to develop individual passions and through them to acquire a range of skills and characteristics. These characteristics will include a willingness to take risks, to question and to debate, and to persevere in the face of difficulty. If a girl can immediately excel at everything asked of her, the bar must be set higher.

All girls need to learn about life beyond the school gates, to appreciate the rich variety of our world, to develop an understanding of compassion and to value justice. All pupils are encouraged to become involved in fundraising and community work. They should appreciate how their decisions and their actions can affect those around them.

St Swithun's was founded by Anna Bramston, daughter of the Dean of Winchester, and Christian values underpin the school's approach to education. Within a civilised and caring environment, all girls and staff are valued for their individual gifts and encouraged to develop a sense of spirituality and of kindness. Kindness and tolerance are at the heart of the school community.

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

School vision

The senior school's vision is of a girls' school well-known for its excellent all-round education; its forward-looking teaching methods; its scholarship; and the attitudes of mind it fosters in its students. It will house a civilised and compassionate community in secure and well-maintained buildings, and it will thoroughly prepare all its pupils for life beyond its gates. It will be regarded by teachers as a desirable school in which to work and develop one's craft.

By the time a girl leaves she will be courageous, compassionate, committed and self-confident with a love of learning, a moral compass and a sense of humour.

The prep school vision is of a school in which every child is known, cherished and at the same time encouraged to be fearless in an inspiring teaching and learning environment. It is an environment in which pupils and staff have warm, respectful relationships. The children enjoy going to school and the staff relish having the opportunity to share adventures, interests and laughter.

Structure

The school Council intends that St Swithun's remain a single sex, day and boarding school for girls in the senior school and day only school in the Prep school and a co-educational nursery. In the senior school, numbers have increased significantly in the preceding four years and a number of structural and organisational changes have been made to cater for this. We aim to continue to increase boarding numbers to re-establish, in the long term, a 50:50 mix of boarding and day pupils in the senior school (currently 42% boarding). We are increasing our marketing activity to attract additional pupils at 11+ and into the prep school, particularly in early years.

In the Prep school we still aim to offer increased capacity and the benefits of smaller class sizes to increase overall numbers. We aim for numbers to increase each year until capacity (256) is achieved.

Academic

The Council's academic aspirations in the senior school are high and our aims are to enable every pupil: to fulfil her potential; to take responsibility for her own learning and; to increase her intellectual curiosity. We will continue to provide a broad general curriculum seeking to achieve excellent examination results enabling admission to all universities and preparing pupils for later life. We will continue to programme for the GCSE, IGCSE and A Level public examinations for the foreseeable future, while monitoring any changes occurring nationally and in Higher Education that may impact on this decision.

In the Prep school the Council aims to provide a stimulating environment in which each pupil can flourish in the broadest sense; foster an eagerness to learn, to strive, to achieve, and to realise the potential of each pupil – academically, creatively, on the sports field and at play. We will also prepare pupils for a move to senior education and equip them for this transition.

Selection

St Swithun's welcomes pupils from all backgrounds. Entry into the senior school will remain selective subject to success in the relevant qualifying entry exam. Entrance into the senior school from the prep school is by Head's recommendation and from other schools is by means of a pre-test and the Common Entrance Examination for Independent Schools. All girls who registered before 26 May 2011, provided they pass the pre-test and relevant Common Entrance exam, are to be offered places in registration list order. All girls who registered after 26 May 2011 are offered places based on their performance at school or in the pre-test and Common Entrance examinations irrespective of the date of registration.

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Selection (continued)

Final selection for entry depends upon the availability of places, prep school head's recommendation, performance at the pre-test and Common Entrance or in the academic assessments for Sixth Form candidates, and the receipt of a satisfactory academic reference from the Head of a girl's current school. St Swithun's continues to attract and admit girls from a range of countries abroad and we are proud of our diverse and independent-minded community.

We aim to offer scholarships in the senior school to those of the appropriate academic standard. Academic and music scholarships are available at 11+, 13+ and 16+. Sports scholarships are awarded at the end of year 9 when we believe that all girls, whether they joined us in year 7 or year 9, will have had the opportunity to develop skills in all of the sports we offer. Sports scholarships are also awarded at 16+.

Bursary Policy

For 2020-21 the school is committed to the provision of some £1.33M in bursary payments. This is 8.2% of predicted fee income. The school's aim remains to continue to maintain the level of bursary awards to pupils to at least the equivalent of 5% of fee income.

In 2020-21 there will be 71 pupils in receipt of means tested awards. This includes 37 bursaries of between 75-110%.

The criteria for receiving awards are determined by the Bursary Committee on an annual basis. Selection for the award of any bursary is based on meeting the normal academic requirements for entry to the senior or Prep school as appropriate, and an assessment of suitability carried out by the Headmistress. No exceptional proficiency in any academic or other area of education is required. The recruitment of candidates is achieved by all available means including marketing and advertising procedures, by direct liaison with local feeder primary schools, by links with partnership organisations and by word of mouth.

The Bursary Committee agrees the annual provision of funds and then delegates the recruitment and selection of candidates to the Headmistresses.

As well as seeking to provide wider access through bursary provision we shall continue to provide help to parents who fall on hard times until such time as they are able to pay the full fees again. The same selection and financial criteria will apply as agreed for bursaries on entry to the school.

Development (Fundraising) and Alumnae Relations

Following the re-launch of the Bramston Bursary Fund in March 2019 and re-naming from Fund to Foundation, the sole focus of our fundraising is to provide full bursaries for girls in care, or who may be on the edge of care.

For clarity, St Swithun's also allocates a percentage of its fee income to support different types of bursaries: Affordability bursaries - where new parents to the school need some top up support, between 25 - 75%, to enable them to afford the fees.

Hardship bursaries - where parents of current students can no longer afford a St Swithun's education. This normally results from a significant change of circumstances in the family situation, such as the death of a parent. There is also an extension to this type of bursary at present: the COVID-19 School Hardship Fund.

Armed Forces Bursaries - a small number of 20% boarding bursaries for new HM Armed Forces families joining the school.

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Development (Fundraising) and Alumnae Relations (continued)

Transformational full bursaries - for girls whose family's financial circumstances mean that a St Swithun's education would otherwise be impossible.

These transformational full bursaries fall into three different categories:

1. For girls from homes where income is at a very low level and an independent education would otherwise be completely out of reach.
2. For girls who are identified by HMC (Headmasters' and Headmistresses' Conference) as HMC Projects scholars from Eastern European countries.
3. For girls in care, or for girls who are currently living with parents or a family member, but in challenging circumstances which might result in them going into care.

These transformational full bursaries are the only category of bursaries that are supported by the Bramston Bursary Foundation, and are completely separate to the ongoing support St Swithun's offers existing students. The school is working with the Royal National Children's Springboard Foundation, Buttle UK and Hampshire and Isle of Wight Virtual School and College for Children in Care (Hampshire County Council) to help identify girls who could flourish at the school.

The fund currently stands at £1.47M, the majority of which is held in a restricted investment fund, with the annual interest/gains on investment being transferred to the main school account when required to support the funding a full Bramston Bursary.

A small number of major donors have given contributions to help directly fund full bursaries, and in these instances, the funds are used on an annual basis, rather than being kept in the investment fund.

In last year's report we stated that whilst it may take some time to build up momentum in order to reach the goal, a new annual fundraising target has been set of £250,000. This target was set in order to fund the Bramston Bursary Foundation's ambition to offer 2 full Bramston Bursaries each academic year for students to start in L4. The school confirmed it will match fund what the Foundation raises and on this basis £250,000 will

fund 2 Bramston Bursaries for 7 years (from L4 – U6), covering the cost of all the school fees. Since the fees increased in September 2019, the school has also committed to fund an additional 10% for 'extras' such as school uniform, trips, social outings and transport.

If this target can be achieved, an annual surplus of £3,000 will be generated which will be put into the restricted investment fund, which in the long term, will help the Foundation to become more financially sustainable. On some occasions, we will be able to secure funding from local government or our partner charities. In these instances, this will reduce the amount of match funding provided by the school.

Between the end of March 2019 when the Bramston Bursary Foundation was relaunched and end August 2019, just under £75,000 was raised. Between the beginning of September 2019 to the end of August 2020, just under £89,000 was raised (this includes a firm pledge of £40,000). This makes a total of just under £164,000 raised since the Foundation re-launched. These figures do not include Gift Aid, which is yet to be claimed and estimated to be around £27,000.

A significant proportion of the amount raised was due to the launch of the first St Swithun's Way Challenge in September 2019, which raised just over £33,000. This sponsored run / walk proved very popular with the whole school community and 300 people took part including School Council members, the leadership team, teachers, support staff, students, parents and Old Girls.

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Development (Fundraising) and Alumnae Relations (continued)

Whilst the fundraising year had got off to a great start due to the Challenge event, it has not been possible to reach the hoped for target due to the worldwide COVID-19 pandemic.

Lockdown and ongoing COVID-19 precautions made fundraising gatherings impossible. The planned Fashion Rocks event had to be cancelled and sadly the Hamper Ball and Auction, which we were to be significant fundraisers, followed the same fate.

In addition to Government restrictions on group gatherings, it would have been insensitive in the first half of 2020, to appeal for funds from the St Swithun's community when they were anxious about the pandemic, the health of loved ones and their own significant financial concerns.

Some success has been had in the new regular giving scheme: the 1884 CLUB and membership of this is close to 60 now with donors giving £18.84 monthly, quarterly or annually. Just under £5,000 has been received so far.

Regarding alumnae relations and the flourishing new Professional Guidance Department, several events were held including Old Girls Day, Professional Sector Event (STEM), Oxford University Reunion, Judo Reunion and many Career Speed Networking evenings.

The OGA Chain Magazine was completely re-designed and distributed to around 3,000 Old Girls. Feedback was extremely positive.

From March 2020, when fundraising efforts were hampered by COVID-19, the opportunity was taken to focus on supporting and building relationships with the alumnae community. In addition to communication via social media, OGA e-news was created and has been distributed to around 900 Old Girls every month.

The pandemic has opened up new ways of communicating digitally with our community and this will be very useful moving forward. The Bramston Bursary Foundation now has social media accounts and also a [digital brochure](#).

Looking forward - Old Girls Day, the St Swithun's Way Challenge and 'Life Beyond St Swithun's' talks will all take place virtually in the autumn term 2020.

Council receives regular reports and updates in fundraising regulations and guidance through the Bursary, Fundraising and Public Benefit Committee. The school does not engage with any external third party fundraisers. There have been no complaints in the period regarding inappropriate or intrusive contact.

The staffing costs of the development and alumnae office are met by the school rather than taken from the money donated.

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Staff – Employment Policy

The aims of the School's recruitment policy are as follows:-

- To ensure that the best possible governors, staff and volunteers are recruited on the basis of their merits, abilities and suitability for the position;
- To ensure that all job applicants are considered equitably and consistently. The school is an equal opportunities employer;
- To ensure that no job applicant is treated unfairly on any grounds including age, disability, gender reassignment, marital and/or civil partnership status, pregnancy and maternity, race, religion or belief, sex or sexual orientation.
- To ensure compliance with all relevant recommendations and guidance including the recommendations of the DfE in "Keeping Children Safe in Education (Sep 2018 and in future Sep 2019)", the recommendations in "Boarding Schools – National Minimum Standards April 2015" and the Code of Practice published by the Disclosure & Barring Service (DBS); KCSiE runs along the non-statutory interim guidance on safeguarding in schools, colleges and other providers during the coronavirus outbreak.
- To ensure that the School meets its commitment to safeguarding and promoting the welfare of children and young people by carrying out all necessary pre-employment checks.

The Council aims to recruit and retain the best staff available. We seek to employ high quality, enthusiastic and talented teachers and support staff in all departments and will continue to encourage and support their professional development throughout their time with us. This will include high calibre NQTs and other trainees who the school will assist with their professional development.

The intention is that staff are:

- Valued;
- Well remunerated and rewarded;
- Benefit from terms and conditions that are reasonable, transparent and consistent;
- Provided with the facilities required to allow them to perform to the highest level;
- Provided with opportunities and support to develop to their full potential.

Information is provided to staff in a variety of formats during induction and during their time at the school. This includes information contained in the Staff Handbook, Teachers' Handbook, and verbal briefings at staff meetings and inset training.

All staff undergo a number of safeguarding, data protection, whistleblowing and health and safety training modules. All staff are expected to adhere to the school's code of conduct and in the case of teachers, DfES 'Teachers' Standards.

Facilities

The Council also aims to continue to improve our facilities, both in our buildings and equipment and in the provision of information and communication technology. It is a traditional school embracing modern technology and contemporary teaching methods. While recognising the need for a secure site we aim to offer an attractive welcoming campus with all new development being in keeping with the main school buildings and as environmentally efficient as possible. It is also our intention to allow access to and use of as many of our facilities as practical to the local community and to other charitable organisations.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

St Swithun's School is governed by its Articles of Association. These were subject to a full review during 2015 and replace the previous Memorandum & Articles. The new document now reflects the Companies Act 2006 and the Charities Act 2011. They also incorporate a number of changes made to clauses concerning the election, re-election and tenure of trustees. In particular, the length of tenure for members of the governing Council is now limited to three terms of office not to exceed a total of ten years. These changes were approved by the Charities Commission and passed by written resolution on 18 August 2015.

Council consider the guidance given in the Charity Commissioners Governance Code.. Individual members of Council receive copies of Governance magazine in order that they are kept abreast of best practice and advice from the Charity Commission. Council is confident that it operates within the guidelines. It will continue to review its Governance policy and consider opportunities for ongoing development and good practice.

The school is administered by its Trustees in accordance with all current legislation and Charity Commission requirements. Governance is as transparent as possible and aims to provide clear policy guidance to allow the school's senior management to operate efficiently and effectively. Elected Trustees are appointed at the Annual General Meeting on the basis of nominations received from existing Trustees and after an initial familiarisation visit to the school. On appointment new Trustees receive a pack of information covering their role and all relevant policy documents. They also undertake a further induction visit and attend relevant courses, preferably run by AGBIS, on Governance.

Following election Trustees participate in a range of internal and externally provided training events. During the period Trustees attended an internal strategy review day and attended the following externally run courses / seminars:

2019: AGBIS Conference and AGM
AGBIS Finance for the non-financial Governor
AGBIS Teachers' Pension Scheme Seminar

Optimus Education Practical strategies for Safeguarding in Education

Organisational Management

Members of the school council, as the trustees of the charity, are legally responsible for the overall management and control of both the Senior school and the Prep school. Council sets and approves strategic direction and policy and meets three times each year and additionally as required. Council monitors the work of the school's management team through its committees and through visits to the school.

Council established a Covid-19 Working Group to oversee the school's management of the coronavirus pandemic, including approval of the re-opening of the school following Government advice to close schools (Mar 20).

All financial matters, including budgets, income and expenditure and cash flows, are scrutinised by the Standing Committee. The statutory financial statements are scrutinised through the process of annual audit, before all matters are submitted to Council for approval. The Standing Committee also monitors and reviews the school's risk management procedures, annual reports on insurance, safeguarding, health and safety, security and any other subject that may be relevant to the school's business at any given time.

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Organisational Management (continued)

Academic matters are brought to the attention of Council by the Education Committee, through the Headmistress' termly reports and the senior school's annual departmental reports. The Headmistress' reports also include information on pupil numbers and future registrations, staff changes, developments and training, pupil matters and forthcoming events. The Prep school Head also reports to Council on all matters relevant to the Prep school. Other school responsibilities, including bursary provision, fundraising, appointment of Council members, pay and terms and conditions of employment, and property and building works are monitored by the Bursary, Fundraising & Public Benefit, Nominations & Remuneration and Development Committees respectively.

Remuneration policy

Details of the school's remuneration policy are contained in its governance paper and falls under the remit of the Nomination and Remuneration Committee. Details of its role and responsibilities regarding remuneration are contained in the following extracts from its terms of reference:

The purpose of the committee is, on behalf of Council, to monitor and advise on matters relating to staff remuneration, with particular regard to the salaries of senior staff.

With respect to remuneration, the Committee shall:

- determine and agree with Council the framework or broad policy for the remuneration of all employees;
- in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of staff are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the School;
- within the terms of the agreed policy, determine the total individual remuneration package of each employee. Much of this can be delegated to the Headmistress and the Bursar, working within the clear guidelines of the Committee;
- be aware of and oversee any major changes in employee benefit structures throughout the School;
- determine the policy for and scope of pension arrangements, service agreements, termination payments and compensation commitments; and
- provide a termly report to Council.

In determining appropriate salaries, the Trustees have regard to the following:

- DfES teachers' pay scales (Teachers pay and allowances for the maintained sector are used as the baseline for teachers' salaries and then subject to a cumulative percentage increase and a flat rate St Swithun's allowance)
- Local Government and other local employee pay rates in order to benchmark support staff salaries
- The independent schools' benchmarking surveys provided by organisations such as Haysmcintrye and Baines Cutler.

The senior management of the school, deemed as those on the leadership scale and as listed in full on page 2, are remunerated in accordance with the remuneration policy.

Both teaching and support staff below the leadership scale progress through a number of main scale salary points (6 for teachers and 7 for support staff) and are then eligible for additional appraisal based increases to their main salary.

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Remuneration policy (continued)

The Nomination & Remuneration Committee determines any additional cost of living inflation increase, which is applied to all staff, once approved by Council.

The Nomination & Remuneration Committee scrutinise and determine the Headmistress's recommendations on individual senior staff salaries for those on the leadership scale annually. Such decisions are taken with regard to individual and collective performance and the benchmarks provided by the Baines Cutler staff remuneration survey.

Group Structure and Relationships

St Swithun's has a wholly owned non-charity subsidiary, St Swithun's School Letting Company Limited, whose activities and trading performance is explained in the financial statements.

On 5 May 2009 the school registered a subsidiary charity – St. Swithun's School Bursary Fund. Once commenced, this subsidiary fund will be held on trust by the school for the provision of bursaries at the school, and will manage capital and income for this purpose. There were no transactions during 2020. The assets of the Bursary Fund as at 31 July 2020 £1,473,003 are currently held in restricted funds within the Group.

Risk Management

The School's detailed risk management procedures were established in January 2002 and the risk management ledger, which outlines all known major risks to the school and states the action being taken to alleviate them, was introduced. The Council sub committees have delegated responsibility for reviewing risks on a rolling annual basis.

Most risks are on-going and as such have been discussed and appropriate measures or policies are in place to alleviate them, either through reducing the likelihood of an occurrence or by reducing the impact in the event of a risk materialising. Monitoring of risk and the appropriate amendment of policies and procedures form part of the continuous management of the School.

Specific areas of risk are subject to additional oversight: Standing Committee maintains oversight of governance and financial risk; Nomination & Remuneration Committee monitors succession planning; Education Committee reviews academic risks; the Bursary, Fundraising & Public benefit Committee reviews delivery of Public benefit. Dr Heather Mycock oversees health & safety issues and Mrs Julia Eager oversees child safety and safeguarding.

The ledger is updated at least annually to indicate additional actions taken to reduce risk and also to identify areas where changes in legislation, personnel or levels of expertise have altered either the likelihood or potential impact of an event. The school underwent external audits in 2015-16, on IT, security and road safety. During 2018 the school's data protection measures were audited. An external health and safety audit is conducted annually.

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Risk Management (continued)

The following issues are viewed as giving rise to additional risks:

- **Political landscape:** Council will continue to monitor government policy as it relates to independent schools and the sector's response. In particular changes in charity taxation policy could have a substantial impact.
- **Financial:** the economic climate which is under substantial pressure due to the impact of the Covid-19 pandemic, places an increasing financial strain on some parents. The level of long term fee debtors remains reasonably steady, but affordability is recognised as a key risk. In recognition of the ongoing financial pressure on parents, fee increases for 19/20 academic year were limited to 3.5% (Boarding) and 2.0% (Day) in the senior school and 4.0% (KS2) and 3.0% (KS1 & nursery) in the prep school but with all curriculum trips, and meals included. For 20/21 the decision has been made to freeze fees at the Spring term 2020 levels for the entire academic year.
- **H&S and Safeguarding:** The increased emphasis placed by ISI on governors' responsibility and the ability to provide evidence that those responsibilities, particularly in regards to child protection and health and safety, are being properly discharged, are areas for maintained vigilance. These are areas for ongoing engagement and maintained awareness. Governors must be able to demonstrate to ISI that they are aware of the issues and that they have discharged their responsibilities. To that end H&S and CP are now early agenda items at full Council meetings and key policies are reviewed annually. Council established a Covid-19 Working Group to oversee the school's management of the coronavirus outbreak

Financial effect of Covid-19 pandemic and other significant events in the year

The Covid-19 pandemic outbreak has been an evident risk which materialised this year. This has had a significant impact on school operations and the financial position of the school has been affected by the provision of rebates for all parents as the school site was closed following government advice. The risk of further closure or partial closures is being actively managed with Council oversight of both operations and finances.

Full details of the impact of the pandemic are contained in the Strategic Report on page 11.

The Council has again examined the principal areas of the school's operations, identifying new risks and re-assessing those already highlighted. The Council is satisfied that all known risks are currently managed or have systems in place to mitigate them. The key controls used by the Council include:

- Formal agendas and minutes for all Council and committee meetings;
- Detailed Terms of Reference for all committees;
- Comprehensive strategic budgetary and financial planning and management accounting;
- Formal written policies and procedures, including on health and safety and child protection issues;
- Established organisational and reporting structures;
- Regular review and approval of key policies;
- Crisis response procedures (updated July 2012 and reviewed annually);
- External audit reports and ISI Inspection reports (most recently 2019).

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

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Section 172(1) Report incorporating Statements of Employee and Stakeholder engagement

The governors of the school, as directors of the company, must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and in doing so have regard to:

- a) The likely consequences of any decision in the long run
- b) The interests of the company's employees
- c) The need to foster the company's business relationships
- d) The impact of the company's operations on the community and the environment
- e) The desirability of the company maintaining a reputation for high standards of business conduct
- f) The need to act fairly

For charitable companies with purposes that are not aimed to benefit the members, the Board has to act in a way that promotes the success of the wider charitable purposes. This will incorporate the desire to meet the requirements of all stakeholders, being beneficiaries, both pupils and the wider community, staff, donors and fee payers and suppliers.

The Governors of St Swithun's School (Winchester) consider that they have acted in a way that is most likely to promote the success of the charitable purpose, as set out in aims and objectives on page 5, in the following way:

- a) The likely consequences of any decision in the long run:
 - The Governors have considered the long-term sustainability of the school's operations, as set out in the Going Concern section of the Strategic Report on page 11.
 - Council sets and approves strategic direction and policy, meets three times each year and additionally as required. Council monitors the work of the school's management teams through its committees and through visits to the school. Standing Committee reviews the School's financial plans on a termly basis by monitoring income and expenditure against forecasts within the context of the annual budget and a rolling 10 year financial plan. Capital expenditure plans and cash flow requirements are also closely reviewed, particularly in the light of the School's borrowing commitments and repayment requirements.
 - Risk management is incorporated into all of the school's operations and robust risk management procedures are well established. The most significant risks are discussed at each relevant Council sub-committee. Further details are contained in page 21
 - The Governors review and endorse all policies to ensure consistent long term regulatory compliance.
- b) The interests of the company's employees, incorporating Statement of engagement with employees:
 - Authoritative and frequent communication with staff has been essential, especially during the lockdown when most staff were working remotely. This has been conducted by weekly Teams staff meetings and routine weekly written communications to staff and parents. Staff who have been furloughed have been contacted by their own line management chain using an established 'buddy-buddy' system and a series of newsletters to maintain their awareness. Staff have been kept informed about staffing, financial and strategic issues affecting them and the school.
 - Full details of the employment policy are contained on page 18.
 - The Governors receive regular reports on staff matters through the Headmistress' termly report. All Governors conduct visits to school where opportunity is made for direct staff engagement.

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REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

Section 172(1) Report incorporating Statements of Employee and Stakeholder engagement (continued)

- All staff were involved in the early stages of the strategic plan development, and all are updated on the plan and priorities at the start of each academic year.
 - Meaningful engagement is encouraged through the staff forum where employees across all departments discuss and make recommendations direct to senior management. A staff survey in 2020 reported high levels of satisfaction. A diverse programme of well-being activities is available to all staff.
 - The Company has complied with the UK's Equality Act 2010 Regulations 2017 that require the publication of information on the gender pay gap for UK employees annually. The 2019 report is available on the website.
- c) The need to foster the company's relationships with stakeholders, incorporating Statement of company's business relationships:
- The charity's beneficiaries and donors are the focus of all the school's operations.
 - A fair and consistent selection policy ensures a diverse and thriving student body that is fully supported throughout their education from nursery to external examinations results, enabling admission to all universities and preparing pupils for later life beyond the school gates.
 - Strong recruitment of the best teachers and valuing of staff supports the stability and high standard of education.
 - A fair policy of bursary awards, consistently applied, support families who may not otherwise be able to access education at the school.
 - The parent contract forms the basis of the relationship with fee payers. This is reviewed regularly to ensure best practice and then applied fairly and consistently. Parental engagement is maintained through weekly correspondence and termly publications.
 - All suppliers are treated fairly and promptly with business terms adhered to. Local and non-corporate supplies are reimbursed on request. The Company complies with the UK's Payment Practices Regulations that require the publication of information on the supplier terms offered and average payment statistics. The July 2020 calculation has been uploaded to the Government portal and is available to review.
 - Council receives regular reports and updates in fundraising regulations and guidance through the Bursary, Fundraising and Public Benefit Committee. The school does not engage with any external third party fundraisers.
- d) The impact of the company's operations on the community and the environment:
- Council supports the school to undertake a full provision of community and partnership activity
 - Full details are contained in page 7.
 - The Company has completed the Energy Savings Opportunity Scheme (ESOS) reporting requirements and is preparing for reporting under the Streamlined Energy and Carbon Reporting (SECR).

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Section 172(1) Report incorporating Statements of Employee and Stakeholder engagement (continued)

- e) The desirability of the company maintaining a reputation for high standards of business conduct:
- The Company's Bribery Policy, that has been approved by Council, sets out the responsibilities of staff to report any incidents or suspicion of fraud, bribery or corruption arising in the course of their work and to cooperate fully with related investigations. The School takes a zero tolerance approach towards fraud, bribery and corruption. The Whistle blowing policy supports staff in this approach.
- f) The need to act fairly:
- All governors and senior staff complete an annual Conflict of Interest declaration. There have been no reported incidents of unacceptable relationships.

Streamlined Energy and Carbon Reporting (SECR) Disclosure

(a) Emissions Summary

The SECR disclosure presents our carbon footprint within the United Kingdom across Scope 1, 2 and to some extent scope 3 emissions, an appropriate intensity metric, the total energy use of electricity, gas and transport fuel and an energy efficiency actions summary taken during the relevant financial year.

	Year to 31 st July 2020
Energy consumption used to calculate emissions (kWh)	6,074,090
Emissions from combustion of gas (Scope 1) tCO ₂ e	772
Emissions from combustion of fuel for transport purposes (Scope 1) tCO ₂ e	4
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) tCO ₂ e	21
Emissions from purchased electricity (Scope 2, location-based) tCO ₂ e	413
Emissions from purchased electricity (Scope 2, market-based) tCO ₂ e	0
Total gross tCO ₂ e based on above	1,211
Intensity ratio (tCO ₂ e/total square metres (m ²))	0.05087

(b) Energy Efficiency Action Summary – Year to 31st July 2020

- St. Swithun's School continues to achieve direct savings in energy and associated carbon emissions, through operational and technological improvements, including;
- Smart meters now installed in all school-occupied buildings
- Continuous upgrades to LED lighting across the school site during refurbishments or as fitting replacement as required. In particular, there was a full replacement to LED lamps in the swimming pool plus two office refits.
- External security lights upgraded to LEDs.
- Improved pip lagging on refurbished areas.
- Wooden sash windows in a boarding house replaced with UPVC windows.
- Sensor controlled lighting installed in refurbished boarding house bathrooms.

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Energy Efficiency Action Summary (continued)

Additional indirect energy and carbon emission savings have also been achieved through a range of measures, including;

- 100% renewable 2-year electricity contract signed, to commence October 2020
- The use of a Building Energy Management System covering both Prep School and Hall and Main senior school, now includes Library and A&T building
- ESOS phase 2 completed

SECR Methodology notes

Reporting Period	1 st August 2019 – 31 st July 2020
Boundary (consolidation approach)	Operational approach
Alignment with financial reporting	SECR disclosure has been prepared in line with St. Swithun's School's annual accounts made up to 31 st July 2020
Reporting method	GHG Emissions reporting are in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard
Emissions factor & Conversion factor source	DEFRA, 2020 for all emissions and conversion factors https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020
Calculation method	Activity Data x Emission Factor = GHG emissions Activity Data x Conversion Factor = kWh consumption
Rounding	The results in the table are expressed in tons CO ₂ e and may not add up precisely to the totals due to rounding.
Other relevant information on calculation	Electricity usage contains estimates for sites where information on consumption was not available. Estimation is based on portfolio average. Diesel and petrol split was not available from company mileage (6% of total transport). Split was made using VEH0203 statistics https://www.gov.uk/government/statistical-data-sets/veh02-licensed-cars
Reason for the intensity metric choice	St. Swithun's School is an independent day, weekly and full-boarding school therefore following the recommendations of the legislation the chosen intensity metric is total square meters, expressing the school's annual emissions in relation to this quantifiable factor.

St Swithun's School (Winchester) (a company limited by guarantee)

REPORT OF THE COUNCIL, INCORPORATING THE STRATEGIC REPORT

For the year ended 31 July 2020

RESPONSIBILITIES OF MEMBERS OF THE COUNCIL

The Council Members (who are also directors of St Swithun's School (Winchester) for the purposes of company law) are responsible for preparing the Council Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.) Company law requires the Council Members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the members of the Council are required to:-

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

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

INFORMATION PROVIDED TO THE AUDITOR

The Members of the Council who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Members has confirmed that they have taken all of the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Crowe U.K. LLP offer themselves for reappointment as auditor in accordance with the Companies Act 2006.

The Report of the Council and the Strategic Report were approved on behalf of the Council.



A. McClure
Chair

12 November 2020

St Swithun's School (Winchester) (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST SWITHUN'S SCHOOL (WINCHESTER)

Independent Auditor's Report to the Members of St Swithun's School (Winchester)

Opinion

We have audited the financial statements of St Swithun's School for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 July 2020 and of the group's 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 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.

We have nothing to report in this regard.

St Swithun's School (Winchester) (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST SWITHUN'S SCHOOL (WINCHESTER)

Opinion on other matter 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 **Strategic Report** and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report **and Strategic 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 or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 27, 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 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.

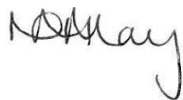
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

St Swithun's School (Winchester) (a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST SWITHUN'S SCHOOL (WINCHESTER)

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.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill, London EC4M 7JW
Dated: 19th November 2020

St Swithun's School (Winchester) (a company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

for the year ended 31 July 2020

Note	School 2020 £	Endowment Fund 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Income and endowments from					
Donations	-	-	150,971	150,971	323,575
Charitable activities					
- School fees 1	13,057,820	-	-	13,057,820	14,296,785
- Ancillary trading income 3	597,655	-	-	597,655	863,593
Trading turnover 2	317,962	-	-	317,962	476,334
Investment income	19,724	1,252	42,675	63,651	55,910
Other income 3	456,851	-	-	456,851	-
Total Incoming Resources	14,450,012	1,252	193,646	14,644,910	16,016,197
Expenditure on					
Charitable activities	14,457,081	2,000	167,644	14,626,725	14,956,008
Raising funds 4	127,864	-	-	127,864	185,586
Other- Finance costs 4	120,045	-	-	120,045	162,392
Total Resources Expended 4	14,704,990	2,000	167,644	14,874,634	15,303,986
Gains / (losses) on investments	-	501	(12,709)	(12,208)	76,119
NET INCOME FOR THE YEAR	(254,978)	(247)	13,293	(241,932)	788,330
Pension scheme actuarial losses 18	-	-	-	-	-
NET MOVEMENT IN FUNDS	(254,978)	(247)	13,293	(241,932)	788,330
Balance brought forward	29,390,775	72,572	1,673,635	31,136,982	30,348,652
Balance carried forward	29,135,797	72,325	1,686,928	30,895,050	31,136,982

All of the school's activities relate to continuing operations.

St Swithun's School (Winchester) (a company limited by guarantee)

CONSOLIDATED BALANCE SHEET

as at 31 July 2020

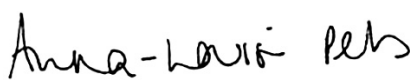
	Note	2020 £	2019 £
Fixed assets			
Tangible assets	6	31,684,306	32,187,683
Investments	7	1,242,176	1,254,384
		<u>32,926,482</u>	<u>33,442,067</u>
Current assets			
Debtors	8	382,777	624,507
Cash at bank and in hand		5,425,727	5,493,526
		<u>5,808,504</u>	<u>6,118,033</u>
Creditors: amounts falling due within one year	9	(3,171,317)	(3,867,931)
		<u>2,637,187</u>	<u>2,250,102</u>
Net current assets			
		<u>35,563,669</u>	<u>35,692,169</u>
Total assets less current liabilities			
		<u>30,895,050</u>	<u>31,136,982</u>
Creditors: amounts falling due after more than one year	10	(4,668,619)	(4,555,187)
		<u>30,895,050</u>	<u>31,136,982</u>
NET ASSETS			
		<u>29,135,797</u>	<u>29,390,775</u>
Unrestricted funds	12		
		1,686,928	1,673,635
Restricted funds	11		
		72,325	72,572
Endowment fund	11		
		<u>30,895,050</u>	<u>31,136,982</u>
TOTAL FUNDS			
		<u>30,895,050</u>	<u>31,136,982</u>

The loss for the financial year dealt with in the financial statements of the parent company was £462,399 (2019 surplus of £473,643).

The financial statements were approved and authorised for issue by the Council on 12th November 2020.



A McClure



A-L Peters

Members of the Council

The accompanying accounting policies and notes form an integral part of these financial statements.

St Swithun's School (Winchester) (a company limited by guarantee)

BALANCE SHEET

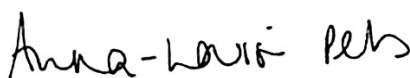
as at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	6	30,983,251	31,485,353
Investments	7	1,242,177	1,254,385
		<u>32,225,428</u>	<u>32,739,738</u>
Current assets			
Debtors	8	395,964	606,002
Cash at bank and in hand		5,350,869	5,417,948
		<u>5,746,833</u>	<u>6,023,950</u>
Creditors: amounts falling due within one year	9	(3,138,130)	(3,801,057)
		<u>2,608,703</u>	<u>2,222,893</u>
Net current assets			
		<u>34,834,131</u>	<u>34,962,631</u>
Total assets less current liabilities			
		<u>34,834,131</u>	<u>34,962,631</u>
Creditors: amounts falling due after more than one year	10	(4,668,619)	(4,555,187)
		<u>30,165,512</u>	<u>30,407,444</u>
NET ASSETS			
		<u>30,165,512</u>	<u>30,407,444</u>
Unrestricted funds		28,406,259	28,661,237
Restricted funds	11	1,686,928	1,673,635
Endowment fund	11	72,325	72,572
		<u>30,165,512</u>	<u>30,407,444</u>
TOTAL FUNDS			
		<u>30,165,512</u>	<u>30,407,444</u>

The financial statements were approved and authorised for issue by the Council on 12th November 2020.



A McClure



A-L Peters

Members of the Council

The accompanying accounting policies and notes form an integral part of these financial statements.

St Swithun's School (Winchester) (a company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 July 2020

	Note	2020 £	2019 £
Net cash inflow from operations	14	718,326	2,663,666
Cash flows from investing activities			
Purchase of tangible fixed assets		(190,787)	(576,068)
Assets in the course of construction		(372,532)	(102,154)
Purchase of fixed asset investment		-	-
Proceeds from sale of current asset investments		-	-
Interest from investments		63,651	55,910
Net cash used in investing activities		(499,668)	(622,312)
Cash flows from financing activities			
Repayments of borrowing		(456,983)	(844,184)
New loan finance after restructure		170,526	-
Net cash provided by financing activities		(286,457)	(844,184)
Change in cash and cash equivalents in the reporting period		(67,799)	1,197,170
Cash and cash equivalents at the beginning of the period		5,493,526	4,296,356
Cash and cash equivalents at the end of the reporting period		5,425,727	5,493,526

St Swithun's School (Winchester) (a company limited by guarantee)

ACCOUNTING POLICIES

for the year ended 31 July 2020

ACCOUNTING POLICIES

PUBLIC BENEFIT ENTITY

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 08 July 1910 (company number 00110692) and registered as a charity with the Charities Commission charity number 307335.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – effective 1 January 2015.

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 historic cost basis of accounting, as modified by the revaluation of investments and pension liabilities.

GOING CONCERN

The Council has considered several factors when forming their conclusion as to the use of the going concern basis for the preparation of these financial statements including a review of the updated forecasts to 31 July 2022 and a consideration of the key risks, including the impact of Covid-19, that could negatively impact the school and working capital requirements.

Council reviews all known major risks to the school and states the action being taken to alleviate them on a rolling annual basis. The key risks to which the school is subject are highlighted in the strategic report. In addition, the Covid-19 pandemic outbreak has been an evident risk that materialised this year. The risk of further closure or partial closures is being actively managed with Council by a bespoke working group. Sustaining and increasing pupil numbers remains a key risk, which is assessed on an ongoing basis.

The Covid-19 pandemic had a significant immediate impact on the school's operations and financial position and in line with government guidance the school closed on 20th march and remained closed throughout the summer term, instead operating a remote learning programme. In response to covid-19 robust, prompt action was taken with an additional working capital reserve drawn from the Government-backed CBILS scheme, support for staff costs through the Coronavirus Job Retention Scheme, deferral of some capital projects and the cancellation of others plus the establishment of a specific bursary fund for families who had incurred significant sudden hardship due to Covid. Fee levels for the summer term were reviewed and a reduced fee level applied impacting gross fees by £1.9m.

Fee rates for the current academic year have been frozen. The school has made a cautiously positive start to the school year with 696 pupils. This is three above the budgeted roll set in August 2020. Fee income for the first term of the 2020/21 school year has been strong with an indication that payment of fees will be consistent with previous years. No additional bursaries as a result of covid-19 have been awarded as yet. Expenditure is being closely controlled and includes a freeze on salary levels.

At the year-end, the school had surplus free reserves of £2.28M. This comprises £5.29M cash available in working capital less net creditors of £3M. As noted above a further £2M of working capital reserve by way of a bank facility was provided in August 2020 under the CBILS scheme. Council reviews the School's financial plans on a termly basis by monitoring income and expenditure against forecasts within the context of the annual budget and a rolling 10 year financial plan. Cash flows are also closely reviewed, particularly in the light of the School's borrowing commitments and repayment requirements. Financial sensitivity analysis is incorporated into Council information, centred on key assumptions (roll, fees, and staff costs).

St Swithun's School (Winchester) (a company limited by guarantee)

ACCOUNTING POLICIES

for the year ended 31 July 2020

GOING CONCERN (continued)

The school's strategic development plan remains dynamic and will be further reviewed once the impact of the ongoing Covid-19 pandemic is known. It is not anticipated that this will change the underpinning aims, vision or ethos of the school.

Having regard to all the above, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are 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 Members Responsibilities on page 27.

GROUP ACCOUNTS

These financial statements consolidate the results of the charity and its wholly-owned subsidiary St Swithun's School Letting Company Limited (company number 01931472) on a line by line basis. No separate SOFA has been presented for the Charity alone, as permitted by Section 408 of the Companies Act 2006. The charity 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.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the accounting policies, Trustees 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.

The key estimates and judgements which impact the financial statements are; Assumptions adopted by management and use by the actuary to calculate the pension liability, and assessments of remaining useful life and impairments of assets, and assessment of the bad debt provision.

In the view of the trustees, 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 value in the next financial year.

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

FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of the premises, less any scholarships, bursaries or other discounts granted by the school against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

DONATIONS AND GRANTS

Donations and other voluntary incoming resources received which are subject to specific wishes of the donors are carried to relevant restricted funds, as and when entitlement arises which can be reliably quantified and benefit is probable.

St Swithun's School (Winchester) (a company limited by guarantee)

ACCOUNTING POLICIES

for the year ended 31 July 2020

EXPENDITURE

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is allocated to expense headings either on a direct cost basis, or apportioned on a consistent basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, also external audit, any legal advice for the Council and all costs of complying with constitutional and statutory requirements.

FIXED ASSETS

Fixed assets are included in these financial statements at their original cost less depreciation. All items costing in excess of £1,000 are capitalised and depreciated according to the policy below. This is an uplift from the previous policy of £500, although key individual items which fall under the higher cost may still be capitalised.

All fixed assets are used in direct furtherance of the school's objectives.

DEPRECIATION

Depreciation is provided on all tangible fixed assets with the exception of land at rates calculated to write off the costs less estimated residual value on each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold land	-	nil
Freehold buildings	-	50 years
Furniture, fittings and equipment	-	4-5 years
Assets in the course of construction	-	nil

PENSIONS

Retirement benefits to employees of the school are provided through three pension schemes, two defined benefit and one defined contribution. The pension costs charged in the Statement of Financial Activities are determined as follows:

Teachers are enrolled in the Teachers' Pension Scheme, which 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.

Non-teaching members of staff appointed before 31 December 2000 were offered membership of a defined benefit scheme. The assets of this scheme are held separately from those of the school, being invested with insurance companies. The pension costs for that scheme represent the contribution due by the school based on the charges calculated by the Scheme's actuaries, so as to ensure that the regular pension costs represents a substantially level percentage of the current and expected future pensionable payroll. The scheme closed to future accrual on 31 March 2007. Remaining staff are now deferred members of the scheme and full members of the defined contribution scheme.

The defined benefits scheme is being accounted for under FRS102, with any annually calculated notional deficit on the funding of the scheme shown in the accounts as a pension reserve, which is deducted from Unrestricted Funds in the balance sheet. Any notional surplus is not recognised, but carried at £nil value. The Council believes that the scheme currently meets statutory funding requirements. The Council note that the calculated notional surplus or deficit calculated under FRS102 can vary greatly from year to year depending on the assumptions made at the year end. Full details are contained in note 18.

The defined contribution scheme is a group personal pension plan with Legal & General. Employer's pensions costs are charged in the period in which the salaries to which they relate are payable.

St Swithun's School (Winchester) (a company limited by guarantee)

ACCOUNTING POLICIES

for the year ended 31 July 2020

COMPOSITION FEES

Amounts received under the school's Composition Fees contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

DEPOSITS

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 July 2019 and at 2018 have been included within current liabilities.

INVESTMENTS AND INVESTMENT INCOME

Long term investments are classified as fixed assets. Short term investments are classified as current assets.

Investments listed on a recognised stock exchange are valued at the lower of cost and mid-market value at the balance sheet date. A surplus or deficit on revaluation is taken to the Statement of Financial Activities. Unlisted investments are stated at cost.

UK Government gilts are classified as either fixed or current assets depending on when they are due to mature.

Provision is made for any impairment in the value of fixed asset investments. Investments in subsidiaries are valued at cost less provision for impairment.

Investment income from bank balances and fixed interest securities is accounted for on an accruals basis.

FUNDS

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purposes and are available as general funds.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year-end are carried forward in the balance sheet. Details of these funds are set out in note 11.

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 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 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. In accordance with FRS102, financial instruments now exclude fees in advance, as they are settled by provision of education, not monetary consideration.

Net financial assets measured at fair value for the year-end amounted to £1,242,176 in investments (2019 £1,254,384).

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

1 SCHOOL EARNINGS

The school fees earnings comprised	2020 £	2019 £
Gross fees	14,552,404	15,705,529
Scholarships	(282,566)	(266,918)
Bursaries	(1,133,383)	(1,205,201)
Staff and sibling discount	(188,463)	(184,597)
	<u>12,947,992</u>	<u>14,048,813</u>
Add back bursaries funded by Bramston Bursary Appeal	109,828	247,972
	<u>13,057,820</u>	<u>14,296,785</u>

Bursaries, scholarships and other awards were paid to 141 pupils (2019: 136).
Within this means tested bursaries were paid to 63 pupils (2019: 66 pupils).

2 TRADING SUBSIDIARY

The school holds the only share in one trading company, St Swithun's School Letting Company Limited which utilises school assets for trading purposes. Summarised trading results for the year ended 31 July 2020 are as below. Two members from the Council have been appointed as directors of the subsidiary.

	2020 £	2019 £
Income		
From the school	23,520	23,520
External trading income	317,962	476,334
Investment income	260	413
	<u>341,742</u>	<u>500,267</u>
Expenditure		
To the school	12,137	18,563
Other costs	109,138	167,017
	<u>121,275</u>	<u>185,580</u>
Profit before tax	<u>220,467</u>	<u>314,687</u>

The Chairman, the Treasurer and the Bursar have received no remuneration, dividend or any other form of reward or benefit from the trading subsidiary.

The trading subsidiary makes an annual distribution of its taxable profits to the school.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

3 (a) ANCILLIARY TRADING INCOME

	2020	2019
	£	£
Extra subjects, trips and travel	458,777	733,753
Registration fees and deposits forfeit	68,135	88,995
Sundry income	70,743	40,845
	<u>597,655</u>	<u>863,593</u>

3 (b) OTHER INCOME

	2020	2019
	£	£
Coronavirus Job Retention Scheme recovery	456,851	-
	<u>456,851</u>	<u>-</u>

4 ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs	Other costs	Depreciation	2020 Total	2019 Total
	£	£	£	£	£
Raising funds	55,262	71,327	1,275	127,864	185,586
Financing costs	-	120,045	-	120,045	162,392
	<u>55,262</u>	<u>191,372</u>	<u>1,275</u>	<u>247,909</u>	<u>347,978</u>
Charitable activities					
Teaching costs	7,420,685	1,130,956	239,649	8,791,290	8,886,101
Welfare costs	1,043,499	365,259	-	1,408,758	1,608,254
Premises costs	653,347	1,299,052	825,772	2,778,171	2,758,071
Support costs and governance	1,241,911	406,595	-	1,648,506	1,703,582
	<u>10,359,442</u>	<u>3,201,862</u>	<u>1,065,421</u>	<u>14,626,725</u>	<u>14,956,008</u>
	<u>10,414,704</u>	<u>3,393,234</u>	<u>1,066,696</u>	<u>14,874,634</u>	<u>15,303,986</u>

(b) Governance costs of the charity included in support costs

	2020	2019
	£	£
Remuneration paid to current auditor for external audit services	24,830	24,025
Costs of ISI inspection	12,375	10,041
Reimbursement of personal expenses to Governors – travel	1,057	1,360
	<u>38,262</u>	<u>35,426</u>

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

4 ANALYSIS OF EXPENDITURE (continued)

No members of Council received any remuneration or other benefits from the school or from any connected body. Three members of the Council received reimbursement of expenses connected with attending Council meetings and training. The total reimbursed for the year was £1,057 (2019: Two members of the Council received a total of £1,360).

The school provides liability insurance to the Members of the Council as part of the school's insurance policy.

(c) Net incoming resources are stated after charging:

	2020	2019
	£	£
Audit fees	31,336	30,385
Non-audit fees	1,260	1,170
Direct taxation services	1,695	1,550
Indirect taxation advice	-	4,050
Operating lease charges	49,796	49,079
Depreciation	1,066,696	1,130,796

All fees for audit services in 2020 and 2019 are payable to Crowe U.K. LLP and are stated inclusive of non-recoverable VAT.

5 STAFF COSTS

	2020	2019
	£	£
Salaries and wages	7,636,713	7,422,135
Social security costs	750,639	721,103
Pension costs and superannuation	1,445,991	1,108,881
	<u>9,833,343</u>	<u>9,252,119</u>
Other staff related costs	132,813	107,228
External contractors	448,548	594,428
	<u>10,414,704</u>	<u>9,953,775</u>
Aggregate employee- benefits of key management personnel	1,146,601	1,044,397
The benefits figure includes the cost of employer national insurance.	<u>1,146,601</u>	<u>1,044,397</u>

During the year there were no termination payments made; (2019: £nil).
There was £nil outstanding at the year-end (2019: £nil).

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

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

5 STAFF COSTS (continued)

	2020 Number	2020 FTE	2019 Number	2019 FTE
Teaching staff	201	125	198	124
Support staff	125	78	105	66
	<u>326</u>	<u>203</u>	<u>303</u>	<u>190</u>

Catering staff numbers are not included in the above calculations as they are not direct employees of the school.

The number of employees whose gross emoluments exceeded £60,000 was:

	2020	2019
£70,001 - £80,000	3	3
£80,001 - £90,000	2	1
£90,001 - £100,000	0	0
£140,001 - £150,000	0	1
£150,001 - £160,000	1	0

During the year contributions were made to Teachers' Pensions defined benefit scheme on behalf of four higher paid employees (2019: four employees) and to a defined contribution group personal pension scheme for two higher paid employees (2019: one employees).

6 TANGIBLE FIXED ASSETS

THE GROUP	Freehold land and buildings £	Assets in the course of construction £	Furniture fittings and equipment £	Total £
Cost				
At 1 August 2019	41,192,985	103,684	3,172,593	44,469,262
Additions	39,890	372,532	150,897	563,319
Transfers	180,757	(180,757)	-	-
Fixed assets written off	-	-	(283,572)	(283,572)
	<u>41,413,632</u>	<u>295,459</u>	<u>3,039,918</u>	<u>44,749,009</u>
Depreciation				
At 1 August 2019	9,495,287	-	2,786,292	12,281,579
Provided in the year	825,772	-	240,924	1,066,696
Fixed assets written off	-	-	(283,572)	(283,572)
	<u>10,321,059</u>	<u>-</u>	<u>2,743,644</u>	<u>13,064,703</u>
Net book amount at 31 July 2020	<u>31,092,573</u>	<u>295,459</u>	<u>296,274</u>	<u>31,684,306</u>
Net book amount at 31 July 2019	<u>31,697,698</u>	<u>103,684</u>	<u>386,301</u>	<u>32,187,683</u>

The freehold land and buildings are insured by the school to the value of £57.0M.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

6	TANGIBLE FIXED ASSETS (continued)	Freehold land and buildings £	Assets in the course of construction £	Furniture fittings and equipment £	Total £
	THE COMPANY				
	Cost				
	At 1 August 2019	39,993,863	103,684	3,050,565	43,148,112
	Additions	39,890	372,532	150,897	563,319
	Transfers	180,757	(180,757)	-	-
	Fixed assets written off	-	-	(283,572)	(283,572)
	At 31 July 2020	40,214,510	295,459	2,917,890	43,427,859
	Depreciation				
	At 1 August 2019	8,994,670	-	2,668,089	11,662,759
	Provided in the year	825,772	-	239,649	1,065,421
	Fixed assets written off	-	-	(283,572)	(283,572)
	At 31 July 2020	9,820,442	-	2,624,166	12,444,608
	Net book amount at 31 July 2020	30,394,068	295,459	293,724	30,983,251
	Net book amount at 31 July 2019	30,999,193	103,684	382,476	31,485,353
7	FIXED ASSET INVESTMENTS		The Group		The Company
		2020	2019	2020	2019
		£	£	£	£
	Market value as at 1 August 2019	1,254,384	1,178,265	1,254,385	1,178,266
	Additions	-	-	-	-
	Transfer to current asset investments	-	-	-	-
	Increase / (decrease) in value of investments	(12,208)	76,119	(12,208)	76,119
	Market value as at 31 July 2020	1,242,176	1,254,384	1,242,177	1,254,385
	As represented by:				
	Listed investments (UK)	1,242,176	1,254,384	1,242,176	1,254,384
	Unlisted investments	-	-	1	1
		1,242,176	1,254,384	1,242,177	1,254,385

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

7 FIXED ASSET INVESTMENTS (continued)

At 31 July 2020 the company held 100% of the allotted share capital of St Swithun's School Letting Company Limited incorporated in England and Wales (company number 0193147; registered office Alresford Road, Winchester SO21 1HA), which is involved in the letting of facilities. The assets and liabilities of St Swithun's School Letting Company Limited are:

	2020 £	2019 £
Tangible fixed assets	2,550	3,825
Current assets	83,074	163,161
	<hr/>	<hr/>
	85,624	166,986
Creditors: amounts falling due within one year	(54,589)	(135,951)
	<hr/>	<hr/>
	31,035	31,035
	<hr/>	<hr/>
Represented by:		
Share capital	1	1
Profit and loss account	31,033	31,033
Capital redemption reserve	1	1
	<hr/>	<hr/>
	31,035	31,035
	<hr/>	<hr/>

Details of St Swithun's School Letting Company Limited's profit and loss account are given in note 2.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

8 DEBTORS

	The Group		The Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Fee debtors	35,509	78,729	35,509	78,729
Prepayments and accrued income	347,268	545,778	342,496	527,273
Amounts owed by group undertaking	-	-	17,959	-
	<u>382,777</u>	<u>624,507</u>	<u>395,964</u>	<u>606,002</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loan	332,833	682,565	332,833	682,565
Social security and other taxes	204,211	195,687	201,213	187,462
Other creditors and accruals	635,732	945,666	605,543	817,939
Pupil fee deposits	549,751	595,551	549,751	595,551
Deferred income (fees in advance and composition)	1,448,790	1,448,462	1,448,790	1,448,462
Amounts due to group undertakings	-	-	-	69,078
	<u>3,171,317</u>	<u>3,867,931</u>	<u>3,138,130</u>	<u>3,801,057</u>

As required by FRS102 all pupil deposits are shown as due within one year.

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

(a) Analysis of creditor

	The Group		The Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	4,493,250	4,309,930	4,493,250	4,309,930
Deferred income (composition fees)	175,369	245,257	175,369	245,257
	<u>4,668,619</u>	<u>4,555,187</u>	<u>4,668,619</u>	<u>4,555,187</u>

The bank loans are secured on the freehold property of the school.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

(b) BANK LOANS

	The Group		The Company	
	2020	2019	2020	2019
	£	£	£	£
Due within one year	332,833	682,565	332,833	682,565
Amounts falling due within 1 year – note 9	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Due between 2 and 5 years	1,331,333	2,634,955	1,331,333	2,634,955
Due after more than 5 years	3,161,917	1,674,975	3,161,917	1,674,975
Amounts falling due after 1 year – note 9	<u>4,493,250</u>	<u>4,309,930</u>	<u>4,493,250</u>	<u>4,309,930</u>
	<u>4,826,083</u>	<u>4,992,495</u>	<u>4,826,083</u>	<u>4,992,495</u>

As at 01 August 2019, the school had drawn a term loan of £3.5M against phase 1 of the construction of the new junior school, a further £2.8M in term loan against phase 2, both at a lending rate of 2.19%, and held a 20-year property mortgage. The total amount outstanding was £4,992,495. On 18th September these three agreements were consolidated into a single loan repayable over 15 years at a rate of 2.19% over Base Rate.

(c) COMPOSITION FEES PAYABLE	The Group		The Company	
	2020	2019	2020	2019
	£	£	£	£
Due within one year (Amounts falling due within 1 year)	94,888	92,647	94,888	92,647
Due between 2 and 5 years	175,369	245,257	175,369	245,257
Due after more than 5 years	-	-	-	-
Amounts falling due after more than 1 year - note 9	<u>175,369</u>	<u>245,257</u>	<u>175,369</u>	<u>245,257</u>
	<u>270,257</u>	<u>337,904</u>	<u>270,257</u>	<u>337,904</u>

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

11 RESTRICTED FUNDS

THE GROUP AND THE COMPANY

	Bramston Appeal £	General Purpose £	Building Fund £	Waller & Yonge Fund £	Total £
At 1 August 2019	1,460,092	75,413	85,000	53,130	1,673,635
Income	166,043	26,137	-	1,466	193,646
Expenditure	(146,578)	(20,666)	-	(400)	(167,644)
Loss on revaluation	(6,554)	-	-	(6,155)	(12,709)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2020	1,473,003	80,884	85,000	48,041	1,686,928
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Bramston Appeal is raising funds to provide bursaries.

The building fund is the first donation by the widower of a St Swithun's Old Girl to fund an academic enrichment building on the school site.

The General Purpose fund provides annual speech day prizes and contains donations earmarked by donors, voluntary charity collections by the staff and pupils and the PTA funds.

The Charlotte M Yonge prize for £100 is awarded for three years to assist former pupils in the purchase of books.

The Waller Fund provides prizes annually of £100 and £50 respectively to the Head and Deputy Head girls for the year. It also funds the Mowbray prize for £100 which is awarded for three years to assist former pupils in the purchase of books. This scholarship is awarded for excellent academic achievements whilst at the school.

The level of these awards were reviewed in September 2018.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

11 RESTRICTED FUNDS (continued)

ENDOWMENT FUND

THE GROUP AND THE COMPANY

	Livy Scholarship £	Total £
At 1 August 2019	72,572	72,572
Income	1,252	1,252
Expenditure	(2,000)	(2,000)
Gain on revaluation of investment	501	501
	<hr/>	<hr/>
At 31 July 2020	72,325	72,325
	<hr/> <hr/>	<hr/> <hr/>

The Dr Jenny Livy Scholarship Fund was created and generously supported by the parents of a former pupil to recognise Dr Jenny Livy's contribution to St Swithun's School.

A Dr Jenny Livy Scholarship is awarded to a member of the L6 at the start of the academic year to a girl who shows academic promise, intellectual curiosity, a unique independence of mind and who participates in the wider life of the school community. The award will be made to a girl who was in U5 in the previous academic year. The headmistress is responsible for awarding this scholarship.

The level of this award is currently £2,000. This figure will be reviewed every 5 years (next Sept 2019) and increased by an agreed amount in line with fee levels. In any year if there is no suitable scholarship candidate, or the fund's income exceeds expenditure, then the amount is to be reinvested into the endowed fund.

The funds for this scholarship are endowed in a separate fund clearly defined. Funds are currently invested in M & G Charibond. Ongoing investment decisions will be made in accordance with the school's investment policy.

12 DESIGNATED FUNDS

THE GROUP AND THE COMPANY

	Pension Scheme Provision £	TOTAL DESIGNATED FUNDS £	General funds £	TOTAL UNRESTRICTED FUNDS £
At 1 August 2019	422,000	422,000	28,968,775	29,390,775
Surplus for the year	-	-	(254,978)	(254,978)
Transfer to designated funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2020	422,000	422,000	28,713,797	29,135,797
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The school has established a designated fund to meet future contributions to the support staff final salary pension scheme as required. Details of the scheme are contained in note 19.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

THE GROUP

Fund balances at 31 July 2020	Unrestricted £	Endowment £	Restricted £	Total £
Tangible fixed assets	31,684,305	-	-	31,684,306
Investments	-	56,424	1,185,752	1,242,176
Current assets	5,291,427	15,901	501,176	5,808,504
Current liabilities	(3,171,317)	-	-	(3,171,317)
Long term liabilities	(4,668,619)	-	-	(4,668,619)
	<u>29,135,797</u>	<u>72,325</u>	<u>1,686,928</u>	<u>30,895,050</u>

THE COMPANY

Fund balances at 31 July 2020	Unrestricted £	Endowment £	Restricted £	Total £
Tangible fixed assets	30,983,251	-	-	30,983,251
Investments	1	56,424	1,185,752	1,242,177
Current assets	5,229,756	15,901	501,176	5,746,833
Current liabilities	(3,138,130)	-	-	(3,138,130)
Long term liabilities	(4,668,619)	-	-	(4,668,619)
	<u>28,406,259</u>	<u>72,325</u>	<u>1,686,928</u>	<u>30,165,512</u>
			£	£

14 (a) RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net incoming resources (page 31)	(241,932)	788,330
Elimination of non-operating cash flows		
- (Gains) / losses on investments	12,208	(76,119)
- Investment income	(63,651)	(55,910)
- Finance costs	120,045	162,392
Depreciation charge	1,066,696	1,130,796
(Increase) / decrease in debtors	241,730	(62,171)
(Decrease) / Increase in creditors excluding bank loans	(416,770)	776,348
Defined benefit pension scheme adjustments	-	-
	<u>718,326</u>	<u>2,663,666</u>

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

14 (b) ANALYSIS OF CASH AND ASH EQUIVALENTS

	2020	2019
	£	£
Cash at bank - unrestricted	3,982,010	4,075,956
Deposits - unrestricted	926,638	925,747
Cash at bank – restricted	407,288	381,379
Deposits - restricted	109,791	110,444
	<u>5,425,727</u>	<u>5,493,526</u>

15 CAPITAL COMMITMENTS

At 31 July 2020 the Group had capital commitments of £nil (2019: £nil). All outstanding sums on capital contracts have been accrued in liabilities as at 31 July 2020.

16 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 July 2020 or at 31 July 2019.

17 TAXATION

St. Swithun's School (Winchester) is a registered charity (number 307335) and is potentially exempt from taxation of income and gains falling within sections 466 to 493 of the Corporation Tax Act 2010 and section 521 to 536 of the Income Tax Act 2007.

18 PENSION SCHEMES

TEACHING STAFF - Teachers' pension scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,075,593 (2019 £762,236) and at the year-end £nil (2019: £nil) was accrued in respect of contributions to this scheme.

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

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

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

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

18 PENSION SCHEMES (continued)

TEACHING STAFF - Teachers' pension scheme (continued)

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements

NON-TEACHING STAFF – Defined contribution scheme

The school operates a defined contribution, stakeholder compatible, group personal pension for all non-teaching employees. The employer pays an age-related contribution of 7 - 14%, provided that the employee pays a minimum contribution of 3%. The pension charge for the year was 324,102 (2019: £289,918).

The employer operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet the long term pension liabilities. A full actuarial valuation was carried out as at 01 January 2018 and updated to 31 July 2019 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

This more recent finalised actuarial valuation, which was produced as at 01 January 2018 showed that the scheme's assets equalled the scheme's technical provisions resulting in a funding level of 100%. In accordance with this actuarial valuation, the employer has agreed with the trustees that it will meet the expenses of the scheme and levies including that for the Pension Protection Fund. As there was no shortfall at the valuation date, no contributions are payable in respect of the technical provisions.

Since August 2016 a designated fund has been established by the school to meet future contributions as required. As at 31 July 2020 the balance stands at £422,000.

The FRS102 calculation by the actuary calculates a scheme surplus of £796K (2019: £651K). However in accordance with paragraph 28.22 of FRS102 the net pension asset has been restricted to the value of the scheme's future pension cost less future employee contributions. The net pension asset therefore becomes £nil. For 2020 and 2019 there are no actuarial movements that require recognition in the SOFA.

The pension charge for the year was £43,664 for admin charges and trustee and independent advice (2019: £52,503).

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

18 PENSION SCHEMES (continued)

PENSION SCHEME DISCLOSURES

(a) Present values of defined benefit obligation, fair value of assets and defined benefit asset (liability)

The assets, funded obligations and notional surplus in the scheme as at 31 July 2020, 31 July 2019 and 31 July 2018 were as follows:

	2020		2019		2018	
	Market Value £'000	Proportion	Market Value £'000	Proportion	Market Value £'000	Proportion
Equities	0	0%	0	0%	0	0%
Index linked gilts	590	13%	498	12%	449	11%
Cash	8	0%	10	0%	6	0%
Insured pensions	1,206	26%	1,245	29%	1,237	32%
Buyout aware funds	2,836	61%	2,538	59%	2,279	57%
	-----	-----	-----	-----	-----	-----
Fair value of plan assets	4,640		4,291		3,971	
Value of funded obligations	(3,844)		(3,640)		(3,384)	
	-----		-----		-----	
Surplus	796		651		587	
Scheme surplus restriction	(796)		(651)		(587)	
	-----		-----		-----	
Surplus recognised in balance sheet	nil		nil		nil	

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by the employer.

(b) Reconciliation of opening and closing balances of the defined benefit obligation

	Year to 31 July 2020 £'000	Year to 31 July 2019 £'000
Opening defined benefit obligation	3,640	3,384
Current service cost	-	-
Interest cost	75	86
Actuarial losses (gains)	263	292
Past service cost	-	-
Settlements or curtailments	-	-
Benefits paid	(134)	(122)
	-----	-----
Closing defined benefit obligation	3,844	3,640
	-----	-----

The English High Court ruling in Lloyds Banking Group Pension Trustees Limited vs Lloyds Bank plc and others was published on 26 October 2018, and held that UK pension schemes with Guaranteed Minimum Pensions (GMPs) accrued from 17 May 1990 must equalise for the different effects of these GMPs between men and women. The case also gave some guidance on related matters, including the methods for equalisation.

The scheme is contracted in and so is unaffected by this legislation.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

18 PENSION SCHEMES (continued)

(c) Reconciliation of opening and closing balances of the fair value of plan assets

	Year to 31 July 2020 £'000	Year to 31 July 2019 £'000
Opening fair value of plan assets	4,291	3,971
Interest income	89	102
Actuarial gains / (losses)	394	340
Contributions	-	-
Benefits paid	(134)	(122)
	<u> </u>	<u> </u>
Closing fair value of plan assets	4,640	4,291

The actual return on the plan assets over the year to 31 July 2020 was £483,000.

(d) Defined benefit costs recognised in profit and loss

	Year to 31 July 2020 £'000	Year to 31 July 2019 £'000
Current service cost	-	-
Net interest cost	-	-
Expenses	-	-
Losses / (gains) on settlements or curtailments	-	-
Losses / (gains) due to benefit changes	-	-
	<u> </u>	<u> </u>
Defined benefit costs recognised in profit and loss account	-	-

(e) Analysis of the actuarial gains/ (losses) recognised in OCI

Actuarial gains or losses are recognised immediately via Other Comprehensive Income (OCI).

The amounts for the year are:

	Year to 31 July 2020 £'000	Year to 31 July 2019 £'000
Return on plan assets (excluding amounts included in net interest cost) - gain / (loss)	394	340
Experience losses arising on plan liabilities	14	(7)
Effect of changes in the demographic and financial assumptions underlying the present value of liabilities	(277)	(285)
Effect of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest)	(131)	(48)
	<u> </u>	<u> </u>
Actuarial (loss)/gain recognised in statement of financial activities	-	-

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

18 PENSION SCHEMES (continued)

PENSION SCHEME ASSUMPTIONS

The life expectancy is based upon mortality assumptions. Assuming retirement at age 65, the life expectancy in years is as follows:-

	31 July 2020	31 July 2019	31 July 2018
For a male aged 65 now	25.5	26.7	26.5
At 65 for a male member aged 45 now	27.3	29.0	28.9
For a female aged 65 now	27.3	28.5	28.4
At 65 for a female member aged 45 now	29.0	30.4	30.3

	31 July 2020	31 July 2019	31 July 2018
Discount rate	1.5%	2.1%	2.6%
Inflation assumption (RPI)	3.2%	3.5%	3.5%
Inflation assumption (CPI)	2.2%	2.5%	2.5%
Allowance for revaluation of deferred pensions of CPI or 5% p.a. if less	2.2%	2.5%	2.5%
Allowance for pension in payment increases of RPI or 5% p.a. if less	3.1%	3.3%	3.3%
Allowance for pension in payment increases of RPI or 5% p.a. if less, minimum 3% p.a.	3.7%	3.8%	3.8%

No allowance has been made for the commutation of pensions for cash at retirement.

The best estimate of contributions to be paid by the employer to the scheme for the year commencing 01 August 2020 is £nil.

19 RELATED PARTY TRANSACTIONS

In 2020 the School charged £12,137 (2019: £18,563) to its wholly owned subsidiary St. Swithun's School Letting Company Limited for use of the school's facilities.

In 2020 St. Swithun's School Letting Company Limited made a gift aid payment of £314,687 to the school as its wholly owned parent company, being the total net profit for the year to 31 July 2019. An equivalent payment will be made for the 2020 profit for the year of £220,467.

20 OPERATING LEASE COMMITMENT

The following operating lease payments are committed to be paid within one year.

Equipment operating lease 9

	2020 £	2019 £
Expiring:		
Within one year	49,796	49,079
	<u> </u>	<u> </u>

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

21 SUBSIDIARY CHARITY

On 5 May 2009 the school registered a subsidiary charity – St. Swithun’s School Bursary Fund. St. Swithun’s School Bursary Fund is held on trust by the Trustee to apply income and capital for the provision of bursaries at the school.

St. Swithun’s School Bursary Fund is unincorporated, has no share capital, had not commenced its activities and has no net assets as at 31 July 2020 (2019: £nil). St Swithun’s School (Winchester) is the sole trustee and so St. Swithun’s School Bursary Fund is included in the accounts on that basis.

22 POST BALANCE SHEET EVENT

On 07 August 2020 the School received £2M in loan finance from National Westminster Bank. The Coronavirus Business Interruption Loan Scheme (“CBILS) supports this lending facility. Under the CBILS Scheme, interest due during the first 12 months will be payable by the UK Government under the terms of the Scheme, After the first 12 months, interest will be payable a the agreed rate of 2.34% over Base Rate.

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

23 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

Note	School 2019 £	Endowment Fund 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Income and endowments from					
Donations	-	-	323,575	323,575	76,568
Charitable activities					
- School fees 1	14,296,785	-	-	14,296,785	14,318,831
- Ancillary trading income 3	863,593	-	-	863,593	932,247
Trading turnover 2	476,334	-	-	476,334	345,669
Investment income	12,621	1,252	42,037	55,910	49,062
Total Incoming Resources	15,649,333	1,252	365,612	16,016,197	15,722,377
Expenditure on					
Charitable activities	14,664,333	2,000	289,675	14,956,008	15,102,393
Raising funds 4	185,586	-	-	185,586	132,632
Other- Finance costs 4	162,392	-	-	162,392	162,612
Total Resources Expended 4	15,012,311	2,000	289,675	15,303,986	15,397,637
Gains / (losses) on investments	-	859	75,260	76,119	55,596
NET INCOME FOR THE YEAR	637,022	111	151,197	788,330	380,336
Pension scheme actuarial losses 18	-	-	-	-	-
NET MOVEMENT IN FUNDS	637,022	111	151,197	788,330	380,336
Balance brought forward	28,753,753	72,461	1,522,438	30,348,652	29,968,316
Balance carried forward	29,390,775	72,572	1,673,635	31,136,982	30,348,652

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

23 FUNDS – COMPARATIVE FIGURES

(a) RESTRICTED FUNDS – COMPARATIVE FIGURES

THE GROUP AND THE COMPANY

	Bramston Appeal £	General Purpose £	Building Fund £	Waller & Young Fund £	Total £
At 1 August 2018	1,394,899	73,000	-	54,539	1,522,438
Income	237,746	42,866	85,000	-	365,612
Expenditure	(248,472)	(40,453)	-	(750)	(289,675)
Gain/ (Loss) on revaluation	75,919	-	-	(659)	75,260
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	1,460,092	75,413	85,000	53,130	1,673,635
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(b) ENDOWMENT FUND – COMPARATIVE FIGURES

THE GROUP AND THE COMPANY

	Livy Scholarship £	Total £
At 1 August 2018	72,461	72,461
Income	1,252	1,252
Expenditure	(2,000)	(2,000)
Loss on revaluation of investment	859	859
	<hr/>	<hr/>
At 31 July 2019	72,572	72,572
	<hr/>	<hr/>

(c) DESIGNATED FUND – COMPARATIVE FIGURES

	Pension Scheme Provision £	TOTAL DESIGNATED FUNDS £	General funds £	TOTAL UNRESTRICTED FUNDS £
At 1 August 2018	422,000	422,000	28,331,753	28,753,753
Surplus for the year	-	-	637,022	637,022
Transfer to designated funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 July 2019	422,000	422,000	28,968,775	29,390,775
	<hr/>	<hr/>	<hr/>	<hr/>

St Swithun's School (Winchester) (a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

24 ANALYSIS OF NET ASSETS BETWEEN FUNDS – COMPARATIVE FIGURES

THE GROUP

	Unrestricted £	Restricted £	Total £
Fund balances at 31 July 2019 are represented by			
Tangible fixed assets	32,187,683	-	32,187,683
Investments	-	1,254,384	1,254,384
Current assets	5,626,210	491,823	6,118,033
Current liabilities	(3,867,931)	-	(3,867,931)
Long term liabilities	(4,555,187)	-	(4,555,187)
	<u>29,390,775</u>	<u>1,746,207</u>	<u>31,136,982</u>

THE COMPANY

	Unrestricted £	Restricted £	Total £
Fund balances at 31 July 2019 are represented by			
Tangible fixed assets	31,485,353	-	31,485,353
Investments	1	1,254,384	1,254,385
Current assets	5,532,127	491,823	6,023,950
Current liabilities	(3,801,057)	-	(3,801,057)
Long term liabilities	(4,555,187)	-	(4,555,187)
	<u>28,661,237</u>	<u>1,746,207</u>	<u>30,407,444</u>

