

Company Number 06142007
Registered in England and Wales
Charity Number 1119613

ST PAUL'S GIRLS' SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

**ST PAUL'S GIRLS' SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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ST PAUL'S GIRLS' SCHOOL

GOVERNORS, OFFICERS AND ADVISERS

Governors, Directors and Charity Trustees

The school is a charitable company limited by guarantee (company number 06142007, registered charity 1119613) and is governed by its Articles of Association. The sole member of the charitable company is the Mercers' Company, the City Livery Company which founded the school in 1904 and retains a keen interest in its activities.

The Governors are the charity trustees under charity law and the directors of the charitable company. Other than where otherwise noted, the Governors who served during the year are as follows:

Ms Justine Archer * §
Mrs Zeina Bain, Deputy Chair of Governors * § #
Ms Lisa Barclay *
Mr Nicholas Buxton *
Mr Nicolas Chisholm + #
Mr Tim Haywood * §
Mrs Clare Hebbes * α
Mrs Geeta Khehar +
Mrs Gillian Low +
Mr Robert Palmer * (resigned 7 July 2021)
Prof Jane Ridley +
Dr Julia Riley +
Mr Simon Wathen, Chair of Governors + * # § α

+ Members of the Education Committee
* Members of the Finance & Estates Committee
Members of the Nominations Committee
§ Members of the Investment Sub-Committee
α Members of the Client Management Group

Officers

Clerk to Governors
Company Secretary

Mr Gerard Hickie
Mrs Nicki Goodfellow

Officers (key management personnel)

High Mistress
Senior Deputy Head and Director of Studies
Deputy Head – Director of Pastoral Care
Deputy Head – Director of Co-Curricular
Deputy Head – Director of Senior School
Deputy Head – Director of Partnerships
Deputy Head – Director of People and Diversity
Deputy Head – Director of Strategic Development
Deputy Head – Director of Inclusion
Bursar
Director of Operations

Mrs Sarah Fletcher
Mr Andrew Ellams
Mrs Elizabeth Beesley
Mr Fred Hitchcock
Ms Josephine Lane
Mr Leigh O'Hara
Ms Helen Semple (to 31 August 2021)
Mr Ellis Whitcomb
Ms Coco Stevenson (from 1 September 2021)
Mr Gerard Hickie
Ms Barbara Sussex

ST PAUL'S GIRLS' SCHOOL
GOVERNORS, OFFICERS AND ADVISERS

Registered Office and Advisers

Registered Office	St Paul's Girls' School Brook Green London W6 7BS
Charity registered number	1119613
Company registered number	06142007
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH Fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT Foot Anstey LLP Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA Moore Barlow The Oriel Sydenham Road Guildford GU1 3SR
Bankers	Barclays Corporate Acorn House 36-38 Park Royal Road London NW10 7JA Barclays Private Bank 1 Churchill Place London E14 5HP Lloyds Bank plc 33 Old Broad Street London EC2N 1HZ

ST PAUL'S GIRLS' SCHOOL
GOVERNORS, OFFICERS AND ADVISERS

Registered Office and Advisers (continued)

Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Investment Managers	Rothschild Wealth Management (UK) Ltd New Court St Swithin's Lane London EC4N 8AL Barclays Private Bank 1 Churchill Place London E14 5HP
Insurance Brokers Marsh Ltd	Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
Actuaries	Barnett Waddingham Cheapside House 138 Cheapside London EC2V 6BW Punter Southall Aspire 11 Strand London WC2N 5HR

ST PAUL'S GIRLS' SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Governors present their Annual Report for the year ended 31 August 2021 under the Charities Act 2011 and the Companies Act 2006.

CONSTITUTION AND OBJECTS

The objects of the school, as stated in its governing document, are to promote in Greater London the education (including social and physical training) of girls and boys and in particular but without prejudice to the generality of the foregoing to conduct and maintain schools in or near to Greater London for girls and boys. The Governors shall pursue the objects of the school by running a girls' school and may only educate members of the opposite sex with the prior written consent of and subject to any restriction imposed by the Mercers' Company.

AIMS, OBJECTIVES AND ACTIVITIES

Our mission is to provide an exceptional education for girls, irrespective of background, which is both innovative and challenging, and which prepares them to contribute positively to the communities around them and to lead successful and fulfilled lives.

The High Mistress describes the school's ethos, within the strategic plan, as follows:

St Paul's is an extraordinary school. There is a genuine sense of excitement and discovery; a joy in learning, creativity in thinking, and a sense of adventure which transcend examination results and which prepare the students for the world beyond. The breadth of opportunity is exceptional. The bursary program is one of the most successful in the country, widening access and adding immeasurably to the diversity and texture of our community. Woven through the whole is an abiding thread of friendship and a desire to work together which makes everything possible. There is a generosity of spirit which draws the place together.

This is a school with a remarkable history and with every right to feel proud of its achievements.

There is no room for complacency, however. The world is changing fast and we need to move with it. The core of our strategy is the creation of a more outward looking school, generous in its commitment to partnerships and service to others, inclusive and diverse in its outlook, forward thinking and digitally acute, operating with the advice of, and in partnership with, those at the cutting edge of change and with the schools around us.

Our strategic plan positions us to respond to the demands of the future so that we continue to offer the best education and preparation for life. It seeks to give us the authority, both moral and professional, to take the lead in helping to frame the educational debate. It accepts the financial challenges and looks for ways to increase revenue other than by exclusive reliance on raising fees.

PUBLIC BENEFIT

The Governors, as the Charity trustees, confirm that they have complied with requirements set out in the Charities Act 2011 to have due regard to the Charity Commission's public benefit and the relevant sub-sector guidance on fee-charging charities. The Governors recognise the school's broader responsibilities towards local communities and society in general. Staff and students are encouraged to participate in the school's partnership and community activities. The school widens access through its bursary programme and leadership role within the West London Partnership.

ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

PRINCIPAL ACTIVITY

The school is academically selective and educates girls from 11 to 18. In September 2020, there were 777 students on roll with 218 of these in the Senior School (Sixth Form). Retention in the Senior School remained steady, with few leaving for co-educational alternatives and 19 girls joining Year 12 in September 2020.

A broad curriculum stretches across the arts and sciences, with an especially large languages department, spanning the major European and classical languages, as well as Mandarin. The school offers GCSE and IGCSE in Year 11 with its own School Directed Courses in art, drama, history of art and music. In the Senior School, ten subjects follow the Pre-U syllabus and fourteen subjects the reformed linear A level curriculum.

St Paul's facilitates an extensive co-curricular programme for its pupils, activities and learning experiences running alongside and beyond the curriculum, as part of the school's broader educational provision. Students pursue a wide range of interests as well as getting involved in charitable activities and services to the community. New clubs and societies may be created on the initiative of the students. Well-established exchange programmes in a number of international destinations provide opportunities to experience the culture and education systems in other countries, where possible. Equally, the school undertakes a significant number of community outreach activities. Charities and service to the community are central aspects of the co-curricular programme, with students being involved in several different projects – these are outlined in the section on student community engagement

GOVERNANCE AND MANAGEMENT

Charity Governance Code

Governors are familiar with the Charity Governance Code and the Charity Ethical Principles as developed by the National Council for Voluntary Organisations. The school seeks to apply the recommended practices relating to each of the Charity Governance Code's seven principles and the Charity Ethical Principles. Governors, working closely with the Director of Inclusion, have developed diversity objectives for the Board. The school has drawn up an action plan to address areas where further work is needed, with the oversight of the Nominations and Governance Committee. The Charity and its Governors (Trustees) continue to consider ways in which it can further improve the Charity's governance standards.

Governing Body Review

The Board conducts regular reviews of its performance in line with the Charity Governance Code. In addition, governors are invited to discuss any issues regarding the governance of the Board with the Chairman at any time.

Stakeholders

The key stakeholders with an interest in the charity's work are the Mercers' Company, the pupils, parents and staff and the wider community. As set out in the Achievements and Performance section of this report, the school plays an active leadership role in the West London Partnership, inviting WLP schools to take part in events and use the school facilities. The school has had particularly close links with Hammersmith Academy since its inception.

Governors

The Governors who served throughout the year are listed on page 1. Mr Robert Palmer QC retired on 7 July 2021 and is thanked for his contribution to the school.

The Board of Governors meets at least once in each school term. Governors are also invited to open days and school events during the year.

ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
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Recruitment, Induction and Training of Governors

Governors are selected by reference to their eligibility, personal competence and specialist skills. The school engages with external agencies to assist in the selection of governors. The Mercers' Company can appoint up to 14 Governors and the Board of Governors may appoint two. On appointment Governors are given an induction package, a tour of the school and meetings with key members of staff. Governors also undertake safeguarding, Prevent and GDPR training if they have not already done so and are required to read key safeguarding documents and guidance. During the year there are further training sessions and recommendations are made about suitable courses for Governors to attend. In addition, from time to time, the Mercers' Company organises training programmes for Governors in conjunction with other schools in which the Mercers' Company has an interest.

Organisational Management

The Governors, as the directors of the company and trustees of the Charity, are responsible for the overall management of the school. Committees, which meet at least three times a year, have been established as follows:

Education Committee:

- considers matters relating to the education and welfare of pupils and makes recommendations to the Board

Finance & Estates Committee:

- monitors and reviews all aspects of financial performance and management
- advises on the development, use and maintenance of the whole school estate
- assesses the scope and effectiveness of the systems established to identify, manage and monitor financial and non-financial risks
- monitors and reviews performance and operations of the subsidiary company SPGS International

Nominations and Governance Committee:

- reviews the structure, size and composition of the Board
- identifies and nominates candidates for appointment to the Board
- oversees a regular performance evaluation of the Board and all its members, conducted by the Chairman
- initiates the process of recruiting the High Mistress and Bursar
- considers all aspects of governance of the school and makes recommendations to the Governing Body

Investment Sub-Committee:

- advises and makes recommendations to the Finance & Estates Committee in respect of all investment asset classes, other than the school's property, and reviews the assets within the Non-Teaching Staff Pension Fund

Client Management Group (Building Project):

- monitors and oversees the redevelopment of the school's buildings in accordance with the outline Building Plan and budget previously approved by the Governors, and reports and makes recommendations to the Governors in relation to the project

The day-to-day management is delegated to the High Mistress supported by the Senior Management Team and together this group are the key management personnel. The High Mistress reports once each school term, and on other occasions as required, to the Governors on the activities she has undertaken in managing the school. She attends the Finance & Estates Committee, the Education Committee, the Nominations Committee and Client Management Group meetings.

The school is regulated by Department for Education and inspected by the Independent Schools Inspectorate.

ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Remuneration Policy

Governors approved a formal Remuneration Policy in March 2016. Ensuring that the school has transparent but flexible reward systems which enable the recruitment and retention of truly excellent staff is essential. The school uses market information for benchmarking purposes. Day to day decisions about pay are made by the High Mistress and Bursar within the scope of the Remuneration Policy. An annual pay award for all staff is considered by Governors each spring and awarded from the following September. Many teaching staff also receive an annual increment.

Insurance

The school has Professional Indemnity insurance in place which includes Directors and Officers insurance to cover the cost of compensation to a third party if a claim is made against one of the school's directors (or officers) arising from any negligent act, error or omission, committed in good faith. The indemnity limit is £10,000,000. Indemnity insurance is also included for claims made against the school (rather than directed at an individual) with an indemnity limit of £50,000,000. The annual premium for the Professional Indemnity insurance is £6,554 and of this, £1,311 is attributed to the Directors and Officers insurance.

THE CONTINUING IMPACT OF COVID 19

The school re-opened in September 2020 with stringent Covid related measures in place. The first half of spring term, following Government lockdown measures, saw the school revert to its online learning platform.

The school made further significant investments in IT systems, hardware and training. A device policy was introduced to enable teaching staff to engage with digital workflows and core digital skills were embedded into both staff and student training. The school remains able to offer hybrid learning and continues to enrich its technical capabilities.

The comprehensive risk assessment carried out for full re-opening in September 2020 was regularly updated during the school year by the school's Senior Management Team and reviewed by the Governing Board, to reflect the changing situation.

The school established a system of controls to operate within the guidelines set down by the Government and Public Health England. This entailed creating year group bubbles, one-way systems in the school buildings and between classrooms, separate dining areas for students and staff, allied to a rigorous cleaning schedule. Additional catering, cleaning and administration staff were recruited to enable these controls to be executed.

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GOVERNORS' REPORT
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STRATEGIES TO ACHIEVE AIMS AND OBJECTIVES

The school's Strategic Plan 2019-2024 has six areas of focus:

- Building on the ethos of the school
- Wellbeing and mental health
- Creativity, innovation and the digital revolution
- Diversity, inclusion and connectivity in the modern world
- Engagement with the communities around us
- Responsibility, efficiency and accountability

The school's short-term aims are set out as annual targets whereas its work within the focus areas of the Strategic Plan 2019-2024 respond to its long-term aims.

OUR ACHIEVEMENTS IN OUR FOCUS AREAS

Building on the ethos of the school

The school continues to see its students achieve outstanding academic results. The teacher assessed grades system supplanted public examinations once again, albeit in a different format from 2020. Examination results were broadly in line with historic outcomes, at both GCSE/iGCSE and A level/Pre-U.

At GCSE/iGCSE, 97.1% achieved 8/9 or A* equivalent and 99.7% achieved an A* or A grade. This is the ninth successive year that the proportion of entries achieving an A* equivalent grade at GCSE has exceed 90%. At A-level/Pre-U, 88% of entries achieved an A* with 96.3% achieving an A* or A. Regarding university destinations, 88 students, including 11 bursary students, gained places at Russell Group universities, of which 41 were Oxbridge places. American third-level education continues to be a popular alternative with 16 students accepting places at US universities.

A St Paul's education transcends examination results. The school provides an enriching co-curricular experience, one in which every student is given the opportunity to participate. The school runs numerous societies and clubs, and this year witnessed record participation in the Silver Duke of Edinburgh's Award. Debating at the school is in rude health and school teams won the Oxford and Cambridge Schools competition for the first time in the school's history. The school also welcomed an outstanding cast of external speakers to many of the societies.

The school seeks to promote a culture of generosity and social awareness. Senior school students took part in a wide range of service activities as part of the St Paul's Programme on Friday afternoons, operating using Zoom at times but visiting partner organisations in person when permitted under Covid-19 rules. Groups of students ran virtual book clubs for local schools. Despite the constraints imposed by the pandemic, notable activities run by the charities committee included the annual Year 7 swim and the Teacher 'University Challenge' while 'Donate Your Commute', giving the cost of commute to the school to charity proved a popular initiative. Over £25,000 was raised in the year for the various charities and causes supported by the school.

The school is committed to developing the skills of its staff and in line with this commitment, a specific Assistant Head Teaching and Learning appointment with responsibility for staff CPD was made with effect from September 2021. Three digital e-champions were appointed to support teaching staff in adapting to remote and hybrid teaching platforms.

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Wellbeing and mental health

We underpin all that we do with an emphasis on friendship, kindness and support, developing resilience and a sense of self-worth. Our staff are our most important asset, and the school is committed to equipping them with the skills and tools to manage an increasingly demanding pastoral environment. The school has also partnered with external institutions such as the Anna Freud Centre.

The school maintained its commitment to the St Paul's Leadership Programme, revamped to work within the constraints imposed by the pandemic. The programme provides students with opportunities to engage with scholarship for scholarship's sake as well as helping them to prepare for a world beyond the school. The school also encourages student-led initiatives, accommodating opportunity for development of leadership skills. The school continues to enhance its pastoral care provision, and expanded the pastoral care team in 2021, adding several additional Deputy Designated Safeguarding Lead posts. Counselling services were also expanded. To answer the need for improved spaces for learning support and pastoral conversations, a new Wellbeing Centre opened in Autumn 2021.

Creativity, innovation and the digital revolution

The school introduced a three-year foundation course in Computer Science and Creative Technology (CS & CT) for all students that join the school. This department will combine coding, media and emerging technology to prepare our students for a world shaped by technology. A school-directed course at GCSE will permit students to continue their studies in this field. The school introduced a mandatory 1:1 device policy for the Lower and Middle School years as part of its digital strategy.

With an awareness of the positive wellbeing factors when students are imbued with confidence in technology and skills in problem solving, the school's present focus is to establish design thinking and thought leadership in the application of technology across the curriculum, seeking to develop innovative approaches to complex problem solving. To deliver digital engagement, the school will create a new facility, a Centre for Design and Innovation on the site of the Rosalind Franklin building, which was demolished in summer 2021.

Diversity, inclusion and connectivity in the modern world

We cultivate a culture of inclusion and respect so that our school celebrates and reflects the richness of the world around us. The provision of bursaries is central to our ethos and enriches our community in every way. The trustees adopted in December 2020 the school Governors' Diversity Plan, reflecting the respective roles and responsibilities of the governing body at a strategic level and the Senior Management Team at an operational level, to integrate diversity and inclusion across the school. Our Friday lecture program features an eclectic range of speakers. The school continues to promote diversity in independent schools through the Schools' Inclusion Alliance. All students and staff received anti-racism training and parents attended a pastoral event on unconscious bias.

The school remains committed to widening access through its bursary programme, offering transformational bursaries to academically gifted students whose families cannot afford the fees. Most bursary students receive 100% fee remission. During the 2020/21 academic year, 89 students received means-tested financial support, equivalent to 11.5% of the school roll, of whom 54 received full remission. All families applying for a school place are informed of the bursary program and encouraged to apply. Detailed means testing, and a home visit, determine the bursary award and all awards are re-assessed annually. The total value of bursaries awarded in the year to 31 August 2021 was £2.2M.

Bursaries are funded directly by the school, by the proceeds of the school's endowment fund and by grants and donations. The endowment fund, valued at £13.1M on 31 August 2021, has been built up by grants and donations. Earnings from the fund supported the equivalent of 14 full bursary places; the school directly funded 28 places and the remaining equivalent 37 places were funded by restricted grants and donations.

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FOR THE YEAR ENDED 31 AUGUST 2021

Engagement with the communities around us

Partnership with schools and other organisations allows us to learn from one another, share ideas and pool resources. Developing a thread of service throughout the school sits alongside our highly successful bursary programme. The school seeks to create educational partnerships with local schools and other organisations, including the West London Partnership programme.

Our Higher Education and Careers support activities saw over 140 pupils from five local schools attend our HE conference. Links to Into University, Chatham House, the Attain programme, Schools Together, amongst others, saw our students and staff deliver social impact, supporting best practice in education. The school is grateful to the Mercers' Education Foundation for its support in establishing a STEM summer course which took place in July 2021 for 60 Year 10 and 12 pupils from West London. The Heads and Directors of the West London Partnership of five maintained and five independent schools held termly meetings during the year. A notable success of the Partnership was the sharing of talks and events across the schools.

The school expanded its partnership with Project Rousseau, a USA organisation which supports young people from disadvantaged backgrounds to realise their academic potential. During this year, 81 students in Years 10 and 12 undertook volunteering as part of the Duke of Edinburgh's Award programme.

Responsibility, efficiency and accountability

We will seek to maintain the highest standards in education, welfare compliance and safeguarding, all while deploying our resources with integrity, cost-effectiveness and efficiency. In common with peer schools in the independent sector, the school faces financial headwinds but is confident that combined effects of its current reserves policy plus prudent planning will enable the school to meet future financial demands.

The school continues to modernise its facilities. Despite the challenges of the pandemic, enabling works to facilitate the main projects envisaged in our building plan were completed as planned. The new Wellbeing centre providing improved medical, counselling and pastoral spaces opened to students in Autumn 2021. Phase 2 of the building plan works commenced in July 2021 and the new Centre for Design & Innovation is due to complete in 2023. This building will provide a dedicated space to link new and emerging technologies, and computer science with maths, science, design and the creative arts, offering students an immersive studio and fabrication and maker-space facilities. With a separate entrance and a central event area, the building will also enhance our ability to run partnership events while also giving access to facilities that may not be readily available to local students.

Phase 3 includes a new Forum building which will allow for consolidated staff work areas to facilitate collaborative working, freeing up space in the Main Building to create better facilities for students. We also plan to remodel the front entrance to improve accessibility and security arrangements.

Throughout the year, all school stakeholders were apprised of the school's achievements and progress through regular and frequent newsletters and school online publications.

In an effort to supplement our sources of income to contribute to the school's evolution, we developed an international operation. Our SPGS International licenced schools provide income to fund bursaries, thus widening access, and to fund partnership programmes. In the year ended 31 August 2021, SPGS International gift-aided £113,000 to St Paul's for this purpose. There are also plans in place to increase additional income sources.

**ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

OUR PERFORMANCE AGAINST 2020/2021 TARGETS

The 2020 Trustees' Report set out specific targets for the year 2020/21. Performance against these targets was as follows:

- Progress design for phases two and three of the site masterplan, preparing for phase two works to commence in 2021.

***Completed.** Contract awarded for phase two and enabling works completed for phases two and three.*
- Work to develop closer collaboration with St Paul's School through societies, academic endeavours and year group events.

***Partially completed.** Collaboration with SPS started well this year with a number of year group activities already planned and student led society joint ventures have begun in earnest.*
- Continue to embed our new academic department – Computer Science and Creative Technologies

***Completed.** Our new school directed courses in computer science and creative technology are now being delivered in the V (from September 2021) and we are working on building the VI programme of studies for next year through the course of this academic year. The introduction of A level computer science from September 2023 is also being considered.*
- Continue to update our IT systems and processes.

***Completed.** The school executed a complete overhaul of its IT systems and infrastructure. It also enhanced technical support to enable rapid adoption of remote and hybrid teaching models.*
- Roll out service learning throughout the school, engaging students.

***Partially completed.** Service learning is an educational approach that integrates community service activities with instruction and reflection to enrich the learning experience and teach civic responsibility. In 2020/21, several new service-focused partnerships and volunteering opportunities have been created for the students, despite the impact of the pandemic – these include Book Clubs in Schools and West London Zone. The older students benefit most from these opportunities, and it remains an ongoing target to embed service learning in the lower years.*
- Engage the school nationally and internationally in the diversity debate.

***Partially completed.** Schools' Inclusion Alliance: ongoing work with over 70 Independent schools; global discussions took place across UK and Latin America, the school engaged with the equivalent of HMC Conference in Latin America on wellbeing and Inclusion and with the GSA Heads' Conference Nov 2020. The school also wrote the new GSA Inclusion Strategy and survey now launched to all GSA schools.*
- Embed creativity more deeply in teaching and learning.

***Completed.** Two new assistant head positions have been created this year to provide greater focus on, and discussion of, teaching and learning within the school. We will look to provide more opportunities for cross-curricular collaboration between departments and more scope for independent learning within the curriculum.*

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OUR PERFORMANCE AGAINST 2020/2021 TARGETS (continued)

- Engage parents in conversations with the school about wellbeing and mental health, to improve early intervention and to provide more joined-up support.

***Partially completed.** The school began to work directly with parents in setting the agenda for discussion evenings but Covid restrictions impacted on implementation.*

- Lead the West London Partnership in its first year.

***Partially completed.** Although the pandemic was a challenge, we managed to take a full role in progressing the partnership with a significant increase in sharing events and several meetings of directors and heads. We were instrumental in creating and launching the new website as well as encouraging a new maintained school to join. This has paved the way for an expanded programme in 2021-2022.*

- Develop our new leadership programme with the boys' school, and bring the two schools closer together in collaborative ventures.

***Partially completed.** Within the confines of wider collaborative working initiatives, which are now overtaking the leadership programme.*

- Open our overseas schools in 2021.

***Partially completed.** SPGS International Chengdu, Junior Section opened 1 September 2021.*

FUNDRAISING AND ALUMNAE ACTIVITY

Fundraising

In support of its charitable objectives, the school seeks to raise annually sufficient funds from the school community to support four 100% means-tested bursary places. Funds are raised through regular donations, major donor fundraising, a legacy program and class gifts. The school welcomed pledges and donations across all of our restricted and endowed funds of £1,149,000 in the year to 31 August 2021.

Lock-down restricted our fund-raising activities to zoom calls and webinar events. We received pledges and donations worth nearly £800,000, sufficient to fund about four 100% bursary places within our bursary cohort who arrived in September 2021.

The 2021 Leavers' Bursary (where parents of the departing VIII class are invited to donate their school deposit to our bursary fund) faced considerable challenges of social distancing, financial uncertainty caused by Covid-19 and electronic data regulations but despite these obstacles, a total of £217,000 was raised thanks to generous support from leaving families to fund a new seven-year bursary for a Year 7 student. We were delighted to receive just under £40,000 in response to the Foundation Report.

The school would like to thank the following trusts for their continuing support: John Lyon's Charity, The Mary Bernays Scholarship Fund, The Hayden Foundation, The Staples Trust, The Aitken Family Charitable Trust, Kusuma Trust UK as well as St Paul's Schools' Foundation and Mercers' Charitable Foundation.

The school conducts its own fundraising and does not employ professional fundraisers. The school is registered with the Fundraising Regulator and pays the voluntary levy. There are no instances to report of the school failing to comply with fundraising standards nor were any complaints received by the school in relation to fundraising activity. The school does not seek to raise funds from the wider general public and does not adopt unreasonably intrusive or persistent fundraising approaches or place undue pressure on potential donors including vulnerable people.

ST PAUL'S GIRLS' SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Alumnae Activities

The alumnae relations programme consists of a range of events and publications, enabling the school to keep in touch with alumnae (OPs) and foster goodwill throughout the community.

The Review magazine is a biannual printed publication, with a central theme, focussing on alumnae news, fundraising projects and school updates. It works together with social media keeping alumnae informed of school news and events.

OP Connect, the alumnae platform, has 1650 users and over 670 registered mentors. Years 12 and 13 students can now access a limited part of the platform facilitating communication with mentors. This has been a useful new addition to the mentoring programme which has grown significantly.

In addition to communications, the events calendar for 2020-21 engaged alumnae of all ages and professions. Understandably, online events were the main conduit. This had an additional result of bringing events to a wider audience who could not attend previously due to geography or mobility. Alumnae reunions moved online, extending the event reach as far as Australia and with particular success in America.

Alumnae continue to support our Higher Education team with multiple online presentations from a range of leading UK universities. Alumnae presented to students at several careers' fairs. Alumnae also engaged in five 'In Conversation' events with parents and other members of school community.

SPGS INTERNATIONAL

In October 2019, SPGS International entered a joint venture with Herald Education (Hong Kong) Ltd to establish international schools in Sichuan and Guangdong. SPGS International School, Chengdu opened on 1 September 2021, delayed by one year due to the Covid-19 pandemic. The first students welcomed to the school were early years through to Year 2 (ages 3-6). The school will expand to full primary from September 2022, when a senior school section will also open on the same site. Both junior and senior schools are run by British Heads and all enrolled students hold foreign passports/ID.

2021/2022 objectives

- Grow the enrolment of SPGS International Chengdu junior school and recruit students, teachers and senior leaders for the senior school opening in September 2022
- Develop collaborative projects between SPGS International School in Chengdu and St Paul's Girls' School in London to support Mandarin learning and global citizenship

In March 2021, SPGS International Ltd contributed £113,000 in gift aid to St Paul's Girls' School to support student bursaries and educational partnerships in Hammersmith and Fulham.

FINANCIAL REVIEW

Results for the Year

The financial results of the group, comprising the school and its wholly owned subsidiary, SPGS International, are presented on page 20 of this report. The group generated total net income from operations of £1,509,000 of which £1,813,000 is unrestricted (before transfers between funds and investment gains and losses). The unrestricted surplus (before transfers and investment losses) represents 8.8% of total unrestricted income compared with 7.4% in the previous year.

The total income for the year ended 31 August 2021 was £21,939,000 (2020: £22,093,000) of which £19,315,000 (2020: £18,479,000) was fee income.

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Results for the Year (continued)

The total expenditure was £20,430,000 (2020: £20,518,000), the most significant expense being staff costs which represent 65% of the total expenditure. Capital expenditure in the year was £3,042,000 (2020: £3,440,000).

Having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the Trustees are satisfied that it remains appropriate to prepare the statements on a going concern basis.

Reserves Level and Policy

The total reserves of the school at 31 August 2021 were £53,710,000 of which unrestricted funds were £35,465,000, the pension scheme reserve deficit was £1,006,000, restricted funds were £6,150,000 and endowed funds were £13,101,000. Free reserves at 31 August 2021 were £8,067,000 (unrestricted funds less intangible fixed assets, tangible fixed assets and the pension scheme liability). Of this £6,000,000 has been designated to go towards the school's major building redevelopment, £57,000 for bursaries, £56,000 for partnerships and £6,000 for hardship. The Rowan Trust funds within restricted funds were £1,017,000 on 31 August 2021.

The Governors consider, as in previous years, that holding unrestricted cash balances of £4,500,000 during the building programme is an appropriate minimum cash reserves policy. It is proposed that the cash reserves held on 31 August 2021 in excess of this policy will go towards funding future capital projects, including investment in the school's estate to meet its future educational needs.

The defined benefit pension scheme for the non-teaching staff is in deficit amounting to £1,006,000 (2020: £2,093,000) which impacts on the unrestricted reserves of the school. The school has made additional contributions totalling £283,000 (2020: £283,000) in the year.

Investment Policy, Objectives and Performance

Rothschild Wealth Management has been given discretionary power to manage the restricted and endowed investment portfolio, reporting to the Investment Sub-Committee. They have been instructed to adopt a medium risk/balanced investment strategy, that the timescale for performance of the portfolio is long term (over 10 years), and that they should aim for a balance of capital growth and income exclusively in Qualifying Investments. The portfolio is invested in the Exbury (Sustainable) Strategy, where it seeks to invest in assets enabling the goals of the Paris Agreement (net zero global emissions by 2050). The Investment Sub-Committee regularly reviews the performance of the Manager.

Despite Covid-related market volatility, the Rothschild investment portfolio performed well over the year to 31 August 2021, generating a total return of 23.02% ending at a valuation of £17,109,000, which includes both endowed and restricted funds, with a dividend yield of 0.8% over the period. Since inception Rothschild has outperformed the target of CPI plus 4%.

The fee composition scheme's assets are invested in fixed interest treasury stocks which are a low risk fixed rate of return investment. The fee composition scheme continues to be managed by Barclays Private Bank. Fixed term deposits are held at Lloyds Bank Plc.

ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

FUTURE PLANS

Targets for 2021/22

- Engage parents, staff and pupils in conversations about inclusion; promote diversity and inclusion within the community; engage in Equality, Diversity and Inclusion thought-leadership nationally
- Work to develop closer collaboration with St Paul's School through societies, academic endeavours and year group events.
- Continue to embed creativity more deeply in teaching and learning
- Continue to develop our Computer Science and Creative Technologies department by providing electives for senior students which respond to new and emerging technologies
- Review and reform the existing performance development reviews of staff to better suit the needs of all staff involved
- Seek to increase additional income sources.

RISK MANAGEMENT

Governors have ultimate responsibility for identifying the major risks that the school is exposed to and for ensuring that the senior management of the school has systems and processes in place to manage those risks. Identified risks are recorded in the school's risk register and risks are assessed by calculating impact and likelihood scores giving a total net score after mitigating activities. Risk management principles are agreed based on the category of the risk (low, medium or high). The school's risk register is reviewed each term by the Finance & Estates Committee and reported formally to the Board each autumn. Some potential risks that are identified on the risk register include:

- Growing pastoral pressures involving staff and pupils as the school moves through a post-lockdown/pandemic period and adjusts to a 'new normal'.
- The increasing likelihood that Government will remove the tax benefits associated with charitable status.
- How the school continues to be attractive to parents within a changing independent school environment.

These risks are mitigated by the following measures:

- The school is increasing its investment in staff welfare and student wellbeing. A new Wellbeing Centre opened in Autumn 2021, for the benefit of all in the school community. Staff flexible working arrangements are accommodated where possible and the pastoral care team has expanded to assist students in coping with the ever-changing context of education in a post-pandemic environment.
- Financial stress testing within long term forecasting is regularly reviewed by the Finance and Estates Committee and the Governing Board. The school has also put into action measures to generate additional alternative income streams. The school's international partnership also contributes to the income of the school.
- The school continues to make major investments in its facilities and curriculum. Phase 2 of the Building Plan (due for completion in 2023) will place the school at the forefront of digital teaching. Through innovation in teaching, allied to a versatile and enriching co-curricular program, the school is determined to offer value to parents in an increasingly competitive landscape.

The Governors are satisfied that there are systems in place to mitigate the major risks identified on the school's risk register to an acceptable level. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

ST PAUL'S GIRLS' SCHOOL
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report, incorporating a strategic report and the directors' report and financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources of the group for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

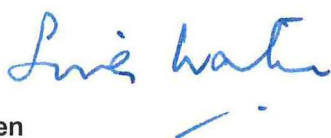
The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITOR

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

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors of St Paul's Girls' School on 7 December 2021, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mr S Wathen
Chair of Governors

ST PAUL'S GIRLS' SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditor's Report to the Members of St Paul's Girls' School

Opinion

We have audited the financial statements of St. Paul's Girls' School ('the charitable company') and its subsidiary ('the group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities (incorporating the Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2021 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 charitable company and 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 PAUL'S GIRLS' SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and 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:

- adequate and proper accounting records have not been kept; or
- the 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 16, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 PAUL'S GIRLS' SCHOOL
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and Anti-fraud, bribery and corruption legislation.

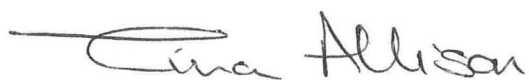
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management, including estimates and judgments. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Estates Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Tina Allison
Senior statutory auditor

For and on behalf of

Crowe U.K. LLP
Statutory Auditor
London

16 December 2021

ST PAUL'S GIRLS' SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING
INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
Income and endowments from:						
Charitable activities						
School fees	2	19,315	-	-	19,315	18,479
Other educational income		886	-	-	886	1,031
Voluntary sources						
Grants and donations	3	13	1,158	28	1,199	1,827
Trading activities						
Non-ancillary trading income		10	-	-	10	27
International schools		400	-	-	400	453
Investments						
Investment income		27	102	-	129	276
Total income and endowments		20,651	1,260	28	21,939	22,093
Expenditure on:						
Raising funds		425	91	-	516	575
Charitable activities		18,413	1,501	-	19,914	19,943
Total expenditure	4	18,838	1,592	-	20,430	20,518
Net income before investment gains/(losses)		1,813	(332)	28	1,509	1,575
Net (losses)/gains on investments	9	(7)	703	2,516	3,212	600
Net income before transfers		1,806	371	2,544	4,721	2,175
Transfers between funds	16	12	335	(347)	-	-
Net income before other recognised gains and (losses)		1,818	706	2,197	4,721	2,175
Pension scheme actuarial gain/(loss)	18	912	-	-	912	(938)
Gains on foreign exchange movements	9	-	22	72	94	193
Net movement in funds		2,730	728	2,269	5,727	1,430
Reconciliation of funds:						
Total funds brought forward		31,729	5,422	10,832	47,983	46,553
Total funds carried forward	16	34,459	6,150	13,101	53,710	47,983

The notes on pages 23 to 42 form part of these accounts.

ST PAUL'S GIRLS' SCHOOL
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2021

	Notes	Group		Charity	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
FIXED ASSETS					
Tangible fixed assets	7	26,392	24,989	26,392	24,989
Intangible fixed assets	8	-	-	-	-
Investment in subsidiary	9	-	-	150	-
Investments	9	17,769	17,677	17,769	17,677
		<u>44,161</u>	<u>42,666</u>	<u>44,311</u>	<u>42,666</u>
CURRENT ASSETS					
Stocks		174	15	174	15
Debtors	10	1,373	804	1,175	911
Cash at bank and in hand		15,366	12,622	15,281	12,402
		<u>16,913</u>	<u>13,441</u>	<u>16,630</u>	<u>13,328</u>
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	11	(6,091)	(5,693)	(6,091)	(5,693)
NET CURRENT ASSETS		<u>10,822</u>	<u>7,748</u>	<u>10,539</u>	<u>7,635</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>54,983</u>	<u>50,414</u>	<u>54,850</u>	<u>50,301</u>
LONG-TERM LIABILITIES					
Creditors: amounts falling due after more than one year	12	(267)	(338)	(267)	(338)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>54,716</u>	<u>50,076</u>	<u>54,583</u>	<u>49,963</u>
Pension scheme liability	18	(1,006)	(2,093)	(1,006)	(2,093)
NET ASSETS INCLUDING PENSION LIABILITY		<u>53,710</u>	<u>47,983</u>	<u>53,577</u>	<u>47,870</u>
ENDOWMENT FUNDS	15 & 16	13,101	10,832	13,101	10,832
RESTRICTED FUNDS	15 & 16	6,150	5,422	6,150	5,422
UNRESTRICTED FUNDS					
Designated funds	15 & 16	32,511	29,989	32,511	29,989
General funds	15 & 16	1,948	1,740	1,815	1,627
TOTAL FUNDS		<u>53,710</u>	<u>47,983</u>	<u>53,577</u>	<u>47,870</u>

The school has taken the exemption from presenting its unconsolidated statement of financial activities under section 408 of the Companies Act 2006. The net income of the school in 2021 was £4,701,000 (2020: £2,062,000).

Approved by the Board of Governors of St Paul's Girls' School on 7 December 2021 and authorised for issue and signed on its behalf by:

Mr S Wathen 
Chair of Governors

Mrs Z Bain 

The notes on pages 23 to 42 form part of these accounts.

ST PAUL'S GIRLS' SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
NET CASH FLOWS FROM OPERATIONS			
Net cash provided/(used) by operating activities	19	<u>2,510</u>	<u>(1,453)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income and bank interest received		125	302
Investment management charges		(91)	(79)
Purchase of tangible fixed assets		(3,042)	(3,440)
Withdrawals from investments portfolio		8,781	4,342
Proceeds from the sale of tangible fixed assets		-	2
Purchase of investments		<u>(5,567)</u>	<u>(2,524)</u>
Net cash provided/(used) in investing activities		<u>206</u>	<u>(1,397)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt of endowment		<u>28</u>	<u>562</u>
Net cash provided by financing activities		<u>28</u>	<u>562</u>
Change in cash and cash equivalents in the year		<u>2,744</u>	<u>(2,288)</u>
Cash and cash equivalents brought forward		<u>12,622</u>	<u>14,910</u>
Cash and cash equivalents carried forward	20	<u>15,366</u>	<u>12,622</u>

The notes on pages 23 to 42 form part of these accounts.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

St Paul's Girls' School is a Public Benefit Entity registered as a charity in England and Wales (charity number: 1119613) and a company limited by guarantee (company number: 06142007). Its registered office is St Paul's Girls' School, Brook Green, London W6 7BS.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St Paul's Girls' School meets the definition of a Public Benefit Entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The school has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

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.

1.2 Going concern

As highlighted in the Trustees' report, having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, 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 sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Pension liabilities – The charity recognises its liability to its defined benefit pension scheme which involves a number of estimations as disclosed in note 18.

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

1.4 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Charity and its 100% owned subsidiary, SPGS International Limited (Company number 12094047) which was incorporated on 9 July 2019 to contract with third parties to establish SPGS International schools overseas.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.5 Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the year in which services are provided.

Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the school, but include contributions received from restricted bursary funds and third parties.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income. 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 is included within current liabilities.

Advance fees are treated as deferred income and are credited to income as and when they fall due.

1.6 Income

Rents are stated gross and are included on an accruals basis. Interest is included on an accruals basis. Dividends from investment funds are included as receivable on the due dates.

1.7 Donations

Donations are accounted for in the financial year in which they are received. Donations received for the general purposes of the school are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund or to endowment funds where the amount is held as expendable capital. Donations and legacies are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable.

1.8 Government Grants

Government grants are recognised on the performance model, when the school has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to.

1.9 Expenditure

All expenditure is included on an accruals basis and is allocated to activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the school, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is conveyed to the recipient in cases where the offer is conditional, such grants being recognised as expenditure when the conditions have been fulfilled.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.10 Intangible fixed assets and amortisation

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Intangible assets comprise software costs which are amortised on a straight-line basis over 4 years.

1.11 Tangible fixed assets and depreciation

All assets purchased are included at their purchase price, together with any incidental expenses of acquisition. Assets with a cost below £5,000 are not capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Charitable properties	-	20 - 50 years
Furniture, fittings and equipment	-	4 - 10 years
IT equipment	-	3 - 4 years

Assets held under construction are not depreciated until they are brought into use.

1.12 Investments

Investments are stated at market value.

Unrealised gains and losses for the year reflect the movement in market values. Realised gains and losses represent the difference between proceeds on disposal and the market value brought forward. All gains and losses are shown net in the Statement of Financial Activities.

Cash held by investment managers, not expected to be utilised by the school other than for investing activity, is also classified as investments.

1.13 Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight-line basis over the lease term.

1.14 Stocks

Stock represents IT equipment and kitchen supplies and is stated at the lower of cost and estimated realisable value. All stock is finished goods and goods for resale.

1.15 Debtors

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

1.16 Cash at bank and in hand

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

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.17 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the school anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.18 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand and debtors, excluding prepayments. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand comprises cash held in instant access bank accounts and used as working capital and short-term deposit accounts. Financial liabilities held at amortised cost comprise all creditors except deferred income, including fees in advance, social security and other taxes and provisions.

1.19 Pensions

The school contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the school. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The school also contributes to the St Paul's Schools' Non-Teaching Staff Pension Fund. The school has fully adopted the requirements of FRS 102. Following the closure of the non-teaching staff defined benefits scheme to new members, certain non-teaching members of staff contribute into a separate defined contribution scheme. Costs associated with this scheme are charged to the Statement of Financial Activities when incurred.

1.20 Fund accounting

The school has three types of funds:

Endowment - where the capital is held in perpetuity to generate distributable income;

Restricted - where the purposes for which the funds may be used have been restricted by donors;

Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the school. These include designated funds, where the funds are unrestricted but the Trustees have designated them for a specific purpose.

1.21 The Rowan Education Trust

The Charity Commission for England and Wales under the power given in the Charities Act 2011 appointed St Paul's Girls' School as sole corporate trustee of the Rowan Education Trust (Charity number 280158) as of 6 April 2018.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. SCHOOL FEES

	Group	
	2021	2020
	£'000	£'000
The school's fee income comprised:		
Gross fees	20,201	<i>19,288</i>
Less: total bursaries, scholarships and allowances	(2,322)	<i>(2,218)</i>
	17,879	<i>17,070</i>
Add: bursaries and other awards paid for by restricted funds	1,436	<i>1,409</i>
	19,315	<i>18,479</i>

3. GRANTS AND DONATIONS

	Group	
	2021	2020
	£'000	£'000
Grants and donations include:		
Donations	750	<i>1,165</i>
Legacies	2	<i>10</i>
Trusts and Foundations	445	<i>303</i>
Corporate donations	1	<i>26</i>
Government Job Retention Scheme grant	1	<i>323</i>
	1,199	<i>1,827</i>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. ANALYSIS OF GROUP EXPENDITURE

	Staff costs £'000	Amortisation and Depreciation £'000	Other costs £'000	Total 2021 £'000	<i>Total 2020 £'000</i>
Raising funds:					
Financing	-	-	37	37	30
Fundraising	159	-	17	176	182
Investment management	-	-	91	91	79
International schools	199	-	13	212	284
	<u>358</u>	<u>-</u>	<u>158</u>	<u>516</u>	<u>575</u>
Charitable activities:					
Education	9,815	65	1,531	11,411	11,810
Welfare	779	-	396	1,175	1,020
Premises	787	1,518	1,298	3,603	3,655
Support costs and governance	1,569	-	400	1,969	1,791
Grants, awards and prizes	-	-	1,440	1,440	1,410
Ancillary trading costs	-	-	316	316	257
	<u>12,950</u>	<u>1,583</u>	<u>5,381</u>	<u>19,914</u>	<u>19,943</u>
Total Group expenditure	<u>13,308</u>	<u>1,583</u>	<u>5,539</u>	<u>20,430</u>	<u>20,518</u>

Support costs include governance costs of £191,000 (2020: £104,000).

2020 ANALYSIS OF GROUP EXPENDITURE

	Staff costs £'000	Amortisation and Depreciation £'000	Other costs £'000	<i>Total 2020 £'000</i>
Raising funds:				
Financing	-	-	30	30
Fundraising	162	-	20	182
Investment management	-	-	79	79
International Schools	208	-	76	284
	<u>370</u>	<u>-</u>	<u>205</u>	<u>575</u>
Charitable activities:				
Education	9,841	88	1,881	11,810
Welfare	663	-	357	1,020
Premises	797	1,385	1,473	3,655
Support costs and governance	1,451	-	340	1,791
Grants, awards and prizes	-	-	1,410	1,410
Ancillary trading costs	24	-	233	257
	<u>12,776</u>	<u>1,473</u>	<u>5,694</u>	<u>19,943</u>
Total Group expenditure	<u>13,146</u>	<u>1,473</u>	<u>5,899</u>	<u>20,518</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. AUDITOR'S REMUNERATION

	2021	<i>2020</i>
	£'000	<i>£'000</i>
Fees payable (excluding irrecoverable VAT) to the group's auditor and its associates in respect of:		
The auditing of accounts of the group	25	<i>25</i>
All other non-audit services not included above	14	<i>26</i>

6. STAFF COSTS AND GOVERNOR COSTS

	2021	<i>2020</i>
	£'000	<i>£'000</i>
Staff costs for the group were as follows:		
Wages and salaries	9,968	<i>9,888</i>
Social security costs	1,139	<i>1,125</i>
Pension contributions	1,895	<i>1,858</i>
Peripatetic costs	252	<i>223</i>
Medical insurance	54	<i>52</i>
	13,308	<i>13,146</i>

During the year there were redundancy or termination payments made totalling £50,000 (2020: £164,000). There was £nil (2020: £nil) outstanding at the year-end in respect of these payments.

The average number of employees in the year was 254 (2020: 249) of which 126 (2020: 126) were teaching staff.

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

	2021	<i>2020</i>
£ 60,000 - £69,999	34	<i>32</i>
£ 70,000 - £79,999	13	<i>13</i>
£ 80,000 - £89,999	3	<i>2</i>
£ 90,000 - £99,999	4	<i>4</i>
£100,000 - £109,999	2	<i>2</i>
£150,000 - £159,999	1	<i>1</i>
£240,000 - £249,999	-	<i>1</i>
£250,000 - £259,999	1	<i>-</i>

Contributions of £797,000 (2020: £797,000) were made to the Teachers' Pension defined benefits scheme for 48 of the higher paid employees (2020: 48 employees). Contributions were made to a defined contribution scheme for 9 of the higher paid employees of £90,000 (2020: 7 employees - £76,000).

	2021	<i>2020</i>
	£'000	<i>£'000</i>
Aggregate employee benefits of key management personnel	1,381	<i>1,385</i>

The Governors have not received any emoluments during the year (2020: £nil). Four Governors (2020: four) incurred travel and training expenses of £539 (2020: £1,910) which were reimbursed or paid for directly by the school. Governors received gifts worth £46 (2020: £323).

During the year £25,755 (2020: £8,070) was collectively donated by Governors.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. TANGIBLE FIXED ASSETS

Group and Charity	Charitable Properties £'000	Assets under Construction £'000	Furniture Fittings and Equipment £'000	IT Equipment £'000	Total £'000
Cost					
At 1 September 2020	29,020	1,488	3,236	1,701	35,445
Additions	779	1,512	468	283	3,042
Transfers	119	(119)	-	-	-
Disposals	(83)	-	(232)	(168)	(483)
At 31 August 2021	<u>29,835</u>	<u>2,881</u>	<u>3,472</u>	<u>1,816</u>	<u>38,004</u>
Depreciation					
At 1 September 2020	6,815	-	2,738	903	10,456
Charge for the year	1,075	-	146	362	1,583
Disposals	(28)	-	(232)	(167)	(427)
At 31 August 2021	<u>7,862</u>	<u>-</u>	<u>2,652</u>	<u>1,098</u>	<u>11,612</u>
Net book value					
At 31 August 2021	<u>21,973</u>	<u>2,881</u>	<u>820</u>	<u>718</u>	<u>26,392</u>
At 31 August 2020	<u>22,205</u>	<u>1,488</u>	<u>498</u>	<u>798</u>	<u>24,989</u>

8. INTANGIBLE FIXED ASSETS

Group and Charity	Computer Software £'000
Cost	
At 1 September 2020 and 31 August 2021	<u>37</u>
Amortisation	
At 1 September 2020 and 31 August 2021	<u>37</u>
Net book value	
At 31 August 2021	<u>-</u>
At 31 August 2020	<u>-</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. INVESTMENTS

Group and Charity

	Listed Investments £'000	Cash £'000	Total £'000
Valuation at 1 September 2020	13,586	4,091	17,677
Additions	4,904	663	5,567
Disposal proceeds	(5,781)	(3,000)	(8,781)
Gains on foreign exchange movements	78	16	94
Gains on investments	3,212	-	3,212
At 31 August 2021	<u>15,999</u>	<u>1,770</u>	<u>17,769</u>
Historical cost of investments	<u>11,219</u>	<u>1,770</u>	<u>12,989</u>

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Investment in subsidiary	<u>-</u>	<u>-</u>	<u>150,001</u>	<u>1</u>

10. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Fees debtors	39	61	39	61
Loans to staff	33	34	33	34
Sundry debtors	865	404	461	181
Amounts owed by group undertakings	-	-	239	363
Prepayments and accrued income	<u>436</u>	<u>305</u>	<u>403</u>	<u>272</u>
	<u>1,373</u>	<u>804</u>	<u>1,175</u>	<u>911</u>

The loans to staff mainly represent housing loans to teaching employees of the school. The loans are repayable over periods of one to five years and are interest free while employees remain at the school.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. CREDITORS: amounts due within one year

	Group and Charity	
	2021	2020
	£'000	£'000
Trade creditors	999	837
Social security and other taxation	294	277
Fees received in advance	1,057	777
Refundable deposits (note 13)	2,873	2,746
Advanced fees scheme (note 13)	57	85
Other creditors	65	280
Accruals and deferred income	746	691
	<u>6,091</u>	<u>5,693</u>

12. CREDITORS: amounts due after more than one year

	Group and Charity	
	2021	2020
	£'000	£'000
Fees received in advance	158	155
Advanced fees scheme (note 13)	83	140
Accruals and deferred income	26	43
	<u>267</u>	<u>338</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. REFUNDABLE DEPOSITS AND ADVANCED FEES SCHEME

Refundable Deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term. The Governors have reviewed the contract terms under which pupil fee deposits are held by the school. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The school does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2021 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

The total amount held in relation to fee deposits of £2,873,000 (2020: 2,746,000) is included in note 11 above. In the normal course of business the expected repayment of these amounts will be £364,000 within one year and £2,509,000 after more than one year.

Advanced fees scheme

Parents may enter into a contract to pay to the school up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, the contractual liability of the school is shown below.

	Group and Charity	
	2021	2020
	£'000	£'000
Within one year	57	85
After more than one year:		
Between one and two years	28	57
Between two and five years	55	83
	<u>140</u>	<u>225</u>
Total	<u>140</u>	<u>225</u>

Advanced fees represent the accrued liability under the contracts; appropriate investments are held so that on maturity the proceeds will match these liabilities. The movements during the year were:

	Group and Charity	
	2021	2020
	£'000	£'000
At 1 September 2020	225	330
Amounts accrued to contracts	1	1
Amounts utilised in payment of fees	(86)	(106)
	<u>140</u>	<u>225</u>
At 31 August 2021	<u>140</u>	<u>225</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. GROUP FINANCIAL INSTRUMENTS

	2021	<i>2020</i>
	£'000	<i>£'000</i>
Financial assets measured at amortised cost (a)	16,133	<i>13,090</i>
Financial assets measured at fair value (b)	17,769	<i>17,677</i>
Financial liabilities measured at amortised cost (c)	(4,749)	<i>(4,791)</i>

(a) Financial assets include cash, trade and fee debtors, sundry debtors and accrued income.

(b) Financial assets measured at fair value include assets held as investments.

(c) Financial liabilities include refundable deposits, trade creditors, accruals, pension contributions and other creditors.

Income received in the year from financial assets measured at amortised cost totalled £20,000 (2020: £107,000). During the year, total gains in relation to financial assets held at fair value totalled £3,306,000 (2020: £793,000) and income received totalled £109,000 (2020: £169,000).

15. ANALYSIS OF NET ASSETS

The group's net assets are held for various funds and advance fees as follows:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Tangible fixed assets	26,392	-	-	26,392
Investments	660	4,072	13,037	17,769
Net current assets	8,680	2,078	64	10,822
Long term liabilities and pension deficit	(1,273)	-	-	(1,273)
	34,459	6,150	13,101	53,710

Analysis of net assets between funds - prior year

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds £'000</i>
Tangible fixed assets	24,989	-	-	24,989
Investments	3,771	3,046	10,860	17,677
Net current assets/(liabilities)	5,400	2,376	(28)	7,748
Long term liabilities and pension deficit	(2,431)	-	-	(2,431)
	31,729	5,422	10,832	47,983

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. GROUP STATEMENT OF FUNDS

Statement of funds – current year

	At 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 August 2021 £'000
Endowed funds						
Bursary funds	10,823	28	-	(347)	2,586	13,090
Prize funds	9	-	-	-	2	11
	<u>10,832</u>	<u>28</u>	<u>-</u>	<u>(347)</u>	<u>2,588</u>	<u>13,101</u>
Restricted funds						
Foundation bursary funds	4,298	1,059	(1,439)	347	509	4,774
Rowan Trust fund	849	6	(34)	-	196	1,017
Hardship fund	52	4	(53)	12	-	15
Partnership/community	4	140	(29)	-	-	115
Prize funds	92	1	(5)	-	20	108
Sundry restricted funds	127	50	(32)	(24)	-	121
	<u>5,422</u>	<u>1,260</u>	<u>(1,592)</u>	<u>335</u>	<u>725</u>	<u>6,150</u>
Unrestricted funds						
General reserves	1,740	20,651	(18,829)	(2,519)	905	1,948
Designated funds						
Buildings fund	5,000	-	-	1,000	-	6,000
Hardship fund	-	-	(9)	15	-	6
Bursaries fund	-	-	-	57	-	57
Partnerships fund	-	-	-	56	-	56
Fixed asset fund	24,989	-	-	1,403	-	26,392
	<u>31,729</u>	<u>20,651</u>	<u>(18,838)</u>	<u>12</u>	<u>905</u>	<u>34,459</u>
Total funds	<u><u>47,983</u></u>	<u><u>21,939</u></u>	<u><u>(20,430)</u></u>	<u><u>-</u></u>	<u><u>4,218</u></u>	<u><u>53,710</u></u>

Endowed funds

Endowed funds are for bursary and prize funds. For these funds the capital is endowed and the arising income is restricted for the expenditure as shown by the type of endowment fund. All endowed funds are expendable endowments.

Restricted funds

The bursary funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries for pupils. The prize fund represents the accumulated income on various endowed and restricted gifts intended to fund the award of various annual prizes. The sundry restricted fund represents the accumulated income on a number of small donations received to fund specific projects.

A transfer of £347,000 (2020: £296,000) between restricted and endowed funds has been made to reflect the value of endowed bursaries funded from capital gains.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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16. GROUP STATEMENT OF FUNDS (continued)

Other restricted transfers relate to capital goods purchased with donated monies for which the restriction on these funds have been met.

Designated funds

The buildings fund was set up by the Trustees during the period to 31 August 2015 to set aside an amount towards the school's building redevelopment. £2,314,000 (2020: £1,786,000) of the designated funds has been spent in the year. A transfer of £3,314,000 (2020: £286,000) from unrestricted general reserves to the designated fund was made at 31 August 2021.

The designated fund for fixed assets represents resources invested in the school's tangible fixed assets. The fund is therefore not readily available for other purposes.

Statement of funds – prior year

	<i>At 1 September 2019 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Transfers £'000</i>	<i>Gains/ (losses) £'000</i>	<i>At 31 August 2020 £'000</i>
Endowed funds						
Bursary funds	9,953	562	-	(287)	595	10,823
Prize funds	8	-	-	-	1	9
	<u>9,961</u>	<u>562</u>	<u>-</u>	<u>(287)</u>	<u>596</u>	<u>10,832</u>
Restricted funds						
Foundation bursary funds	4,410	894	(1,457)	361	142	4,350
Rowan Trust fund	814	10	(32)	-	57	849
Partnership/community	1	42	(39)	-	-	4
Prize funds	87	1	(1)	-	5	92
Sundry restricted funds	141	147	(58)	(103)	-	127
	<u>5,453</u>	<u>1,094</u>	<u>(1,587)</u>	<u>258</u>	<u>204</u>	<u>5,422</u>
Unrestricted funds						
General reserves	1,627	20,437	(18,931)	(448)	(945)	1,740
Designated funds - buildings	6,500	-	-	(1,500)	-	5,000
Designated fixed asset fund	23,012	-	-	1,977	-	24,989
	<u>31,139</u>	<u>20,437</u>	<u>(18,931)</u>	<u>29</u>	<u>(945)</u>	<u>31,729</u>
Total funds	<u>46,553</u>	<u>22,093</u>	<u>(20,518)</u>	<u>-</u>	<u>(145)</u>	<u>47,983</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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17. CAPITAL COMMITMENTS

	2021	<i>2020</i>
	£'000	<i>£'000</i>
At 31 August 2021 the charitable group had capital commitments as follows:		
Contracted for but not provided in these financial statements	<u>11,757</u>	<i><u>985</u></i>

18. PENSION SCHEMES

Defined benefit schemes

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 £1,470,000 (2020: £1,447,000) and at the year-end £176,000 (2020: £176,000) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

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 a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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18. PENSION SCHEMES (continued)

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 cost cap mechanism revision is 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 Pension Fund

St Paul's Girls' School's Pension Scheme for non-teaching staff operates a defined benefit scheme in the UK which provides both pensions in retirement and death benefits to members. Pension benefits are related to the members' final salary at retirement and their length of service.

Since 1 November 2006 the scheme has been closed to new members and closed to future accrual since 1 January 2016.

A full actuarial valuation of the scheme was carried out as at 31 August 2020 and the preliminary results of this valuation have been updated to 31 August 2021 by a qualified independent actuary to produce the FRS 102 valuation. The major assumptions used by the actuary for the purposes of FRS 102 for these financial statements were (in nominal terms) as follows:

Principal actuarial assumptions at the balance sheet date

	2021	2020
Discount rate	1.60%	1.50%
Inflation assumption (RPI)	3.40%	3.20%
Inflation assumption (CPI)	3.10%	2.70%
Rate of increase in salaries	3.10%	2.70%
5% LPI pension increases	3.10%	2.70%
2.5% LPI pension increases	2.30%	2.20%
	2021	2020
Assumed life expectancy in years at age 60:		
Retiring today - Males	25.3	26.3
Retiring today - Females	29.3	28.6
Retiring in 20 years' time - Males	26.8	27.8
Retiring in 20 years' time - Females	30.8	30.1

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18. PENSION SCHEMES (continued)

The amounts recognised in the balance sheet are as follows

	2021 £'000	2020 £'000
Present value of funded obligations	(7,729)	(8,039)
Fair value of scheme assets	<u>6,723</u>	<u>5,946</u>
Net liability	<u>(1,006)</u>	<u>(2,093)</u>

Changes in the present value of the defined benefit obligation

	2021 £000	2020 £000
Opening defined benefit obligation	8,039	7,486
Interest cost	119	125
Actuarial (gains)/losses	(192)	661
Benefits paid (excluding expenses)	<u>(237)</u>	<u>(233)</u>
Closing defined benefit obligation	<u>7,729</u>	<u>8,039</u>

Changes in the fair value of the scheme assets

	2021 £'000	2020 £'000
Opening fair value of scheme assets	5,946	6,122
Interest income	89	104
Expected return on scheme assets	720	(277)
Benefits paid	(237)	(233)
Contributions by employer	283	283
Expenses paid	<u>(78)</u>	<u>(53)</u>
Closing fair value of scheme assets	<u>6,723</u>	<u>5,946</u>

The amounts included within the Statement of Financial Activities

	2021 £'000	2020 £'000
Service cost – administrative costs	78	53
Net interest on the net defined benefit liability	<u>30</u>	<u>21</u>
Total charged to the Statement of Financial Activities	<u>108</u>	<u>74</u>
Net actuarial (gains)/losses recognised in the year	(192)	661
Return on assets, excluding interest income	<u>(720)</u>	<u>277</u>
Pension scheme actuarial (gains)/losses	<u>(912)</u>	<u>938</u>

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18. PENSION SCHEMES (continued)

The major categories of scheme assets are:

	Value at 31 August 2021 £'000	Value at 31 August 2020 £'000
Absolute return fund	3,171	2,990
Equities	3,399	2,764
Secured pensions	130	178
Cash and other assets	<u>23</u>	<u>14</u>
Fair value of scheme assets	<u>6,723</u>	<u>5,946</u>

The actual return on the scheme assets is £809,000 (2020: (£173,000)).

The employer contributions in the year payable by the school in respect of non-teaching staff was £283,000 (2020: £283,000). The school expects to contribute £283,000 to the scheme in the year to 31 August 2022. The pension cost charge in the year in respect of the non-teaching staff defined contribution scheme was £358,000 (2020: £366,000).

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATIONS

	Group 2021 £'000	2020 £'000
Net income for the year	1,509	1,575
Non-operating cash flows eliminated:		
- Investment income	(129)	(276)
- Endowment donations	(28)	(562)
- Investment management charges	91	79
Defined benefit pension scheme adjustments	(175)	(209)
Depreciation and amortisation charge	1,583	1,473
Loss/(profit) from the disposal of tangible fixed assets	56	(2)
(Increase)/decrease in stocks	(159)	117
Increase in debtors	(565)	(209)
Decrease in advanced fee scheme creditors	(85)	(105)
Increase in refundable deposits	127	172
Increase/(decrease) in creditors (excluding advanced fee scheme and deposits)	<u>285</u>	<u>(3,506)</u>
Net cash inflow/(outflow) from operations	<u>2,510</u>	<u>(1,453)</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £'000	2020 £'000
Cash at bank	7,365	4,622
Deposits	<u>8,001</u>	<u>8,000</u>
Total	<u>15,366</u>	<u>12,622</u>

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21. OPERATING LEASE COMMITMENTS

At 31 August 2021, the group had annual commitments under non-cancellable operating leases as follows:

	2021 £'000	2020 £'000
Within one year	64	83
Between one and five years	64	52
	<u>128</u>	<u>135</u>

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

St Paul's Schools Foundation is a charitable trust of which the Mercers' Company is the sole trustee. The Mercers' Company is the sole member of St Paul's Girls' School.

St Paul's Schools Foundation made a £50,000 (2020: £50,000) grant towards bursaries and a £25,000 grant for a partnership coordinator (2020: £25,000).

Mercers' Charitable Foundation made a £140,000 (2020: £nil) grant to provide Summer and Easter courses to inspire long-term engagement with STEM subjects. In 2020 a £10,000 grant was received in response to Covid-19.

The school paid rent of £1,000 (2020: £1,000) to St Paul's Schools Foundation during the year. £416 (2020: £416) remains outstanding at year end.

The High Mistress is a trustee of The School and Family Works Ltd. The school contributed £6,000 towards the costs of providing family groups (2020: £17,219 including a food bank initiative). At year-end there was a £6,000 prepayment (2020: £6,000 prepayment).

The school also incurred consultancy costs of £7,085 (2020: £6,666) to Anatta Ltd, a company owned by a partner of a deputy head (key management personnel). No balance remained at year-end.

23. SPGS INTERNATIONAL LIMITED

The school owns all of the issued share capital of SPGS International Limited, a company incorporated in England and Wales (Company number 12094047), whose registered office is St Paul's Girls' School, Brook Green, London W6 7BS. This company contracts with third parties to establish SPGS International schools overseas.

In the year ended 31 August 2021, SPGS International Limited had a turnover of £400,000 (2020: £453,333), gross profit of £376,000 (2020: £425,811) and a profit before gift aid of £133,078 (2020: £113,186).

In the year ended 31 August 2021, the school charged £242,891 (2020: £312,625) to SPGS International for the provision of staff and administration charges. SPGS International gifted £113,186 (2020: nil) to the school through gift aid during 2020/21. The balance owed to the school by SPGS International on 31 August 2021 was £239,492 (2020: £362,938).

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24. PRIOR YEAR GROUP STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2020	Total Funds 2019
	£'000	£'000	£'000	£'000	£'000
Income and endowments from:					
Charitable activities					
School fees	18,479	-	-	18,479	18,128
Other educational income	1,031	-	-	1,031	1,253
Voluntary sources					
Grants and donations	337	928	562	1,827	1,794
Trading activities					
Non-ancillary trading income	27	-	-	27	44
International schools	453	-	-	453	-
Investments					
Investment income	110	166	-	276	249
Total income and endowments	20,437	1,094	562	22,093	21,468
Expenditure on:					
Raising funds	495	80	-	575	287
Charitable activities	18,436	1,507	-	19,943	19,426
Total expenditure	18,931	1,587	-	20,518	19,713
Net income before investment gains/(losses)	1,506	(493)	562	1,575	1,755
Net gains/(losses) on investments	(7)	162	445	600	614
Net income before transfers	1,499	(331)	1,007	2,175	2,369
Transfers between funds	29	258	(287)	-	-
Net income before other recognised gains and losses	1,528	(73)	720	2,175	2,369
Pension scheme actuarial loss	(938)	-	-	(938)	(635)
Gains/(losses) on foreign exchange movements	-	42	151	193	(162)
Net movement in funds	590	(31)	871	1,430	1,572
Reconciliation of funds:					
Total funds brought forward	31,139	5,453	9,961	46,553	44,981
Total funds carried forward	31,729	5,422	10,832	47,983	46,553

