

ST PAUL'S SCHOOL

England & Wales · Charity number 1119619

Details

Status	Registered
Legal form	Charitable company
Company number	06141973
Registered	2007-06-12
Register	View on the Charity Commission register

Contact

Address	St. Pauls School 80 Lonsdale Road London SW13 9JT
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Website	www.stpaulsschool.org.uk

Activities

Objects: 2.1 THE OBJECTS OF THE SCHOOL 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. 2.2 THE GOVERNORS SHALL PURSUE THE OBJECTS OF THE SCHOOL BY RUNNING A BOYS' 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.

Activities: The objects of the School 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 pursue the objects of the School by running a boys' school.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£48,343,000	£50,776,000	£127,451,000	342
2024-08-31	£49,100,000	£50,411,000	£127,664,000	331
2023-08-31	£46,316,000	£44,184,000	£124,847,000	310
2022-08-31	£41,805,000	£39,591,000	£123,089,000	308
2021-08-31	£38,996,000	£37,162,000	£120,382,000	300

Trustees

Name	Role	Appointed
ALISON PALMER		2018-01-01
HAROLD ARTHUR HAMPSON		2020-01-09
Jaideep Mahendrakumar Barot		2024-09-01
Jeremy Withers Green		2026-03-24
John Andrew Fenwick		2022-09-01
Lord Edward Henry Butler Vaizey		2022-01-01
Mark Tuffney		2022-10-31
Professor Joanne Harris		2022-09-01
RICHARD ALEXANDER CASSELL		2020-01-09
Rupert Tate		2022-09-01
Samuel George Anthony Newhouse		2020-07-01
Sarah Anne Barker		2015-03-11
Timothy Hugh Penzer Haynes		2019-03-01
Tom Modupe Adeyoola		2022-01-01
Veryan Jane Exelby		2020-07-01

Linked charities

- THE ST PAUL'S SCHOOL GENERAL CHARITABLE TRUST (1119619-1)
- ST PAUL'S SCHOOL CENTRAL PRIZE FUND (1119619-2)

ST PAUL'S SCHOOL

England & Wales - Charity number 1119619

Accounts

ST PAUL'S SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

Registered Company Number: 06141973
Registered Charity Number: 1119619

ST PAUL'S SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

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ST PAUL'S SCHOOL

CHAIR OF GOVERNING BODY'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2025

It is tempting at St Paul's, with its particularly talented student body and exceptional teaching faculty, to assume each year that academic results will be excellent, and this year is no exception, but each year we see incremental improvement and this is the result of commitment and hard work from our staff and pupils. We can see constant improvement in the support provided for all pupils and focus on the individual strengths and weaknesses of each pupil which requires focus and work and this is evidenced by the results.

I am pleased to report that in 2025 we saw 59% of our A-Level candidates achieve A* grades and 93% are in the A*/A range, which is our best result in post-COVID years. We are proud that in each of Mathematics and Art one of our pupils was among the highest performers nationally. We are pleased that all of our pupils with SEND needs performed in line with expectations which reflects additional focus and resources placed on supporting those pupils. Our GCSE results reflected a very small drop from our stellar performance last year but are ahead of other recent non-COVID years and reflect a continuing gradual improvement. Our Art department should be commended for producing two of the highest performers in the country at GCSE.

In turn, these outstanding academic results led to success for our pupils in university destinations with 95% of UK bound pupils with a place at Russell group universities, 44 of which are taking up places at Oxford or Cambridge, and a continuing increase in successful applications to top US universities with 38 accepting US offers and nine pupils heading to non-US universities. Our pupils are studying a broad range of subjects and this reflects the exceptional range of subjects offered to Paulines as well as the great strength of our co-curricular offer which inspires Paulines to achieve success across a broad range of areas.

This has been a particularly strong year for co-curricular achievement. In rugby, our U15 team was victorious in the Continental Tyres National Vase Final. In football our Senior team made the ISFA Shield Final; and in cross country our intermediate boys team finished 2nd in Nationals. In rowing, we won the Head of the Charles and the Schools' Head and, in the National Schools Regatta, six teams won gold medals. The SPJ swim squad earned a silver medal and ranked second nationally in the IAPS championship, and we had U13 teams progressing to the National Cup in cricket and qualifying for regional finals in handball for the first time. We won the Hans Woyda Maths competition, two of the five members of the England Debating team were from St Paul's and other pupils achieved success in the European Youth Parliament. Three SPJ teams competed in the finals for the National Primary School Chess Championships. We are pleased that the first joint Young Enterprise team with St Paul's Girls' School won the North London final and reached the London and South East final. In music two pupils were selected for the National Youth Orchestra and over 160 pupils performed in the Ensembles concert in March 2025. Finally in the electric car racing Firefly, we won the Ford Engineering award for the third straight year.

The strength of our co-curricular offer was recognised by the ISI inspectors who awarded the School a significant strength for this. We were very pleased that the strong range of our sporting, musical, artistic and other co-curricular programme was recognised and we were particularly praised for making participation available to all and for the inclusivity shown by all of the co-curricular departments and groups. St Paul's has a strong tradition of musical and artistic excellence as well as sporting success and it is pleasing to see this tradition extend across so many other areas. My impression is that the embedding of school values across the school community contributed significantly to a successful inspection.

During this past year the Governors and School leadership took the decision to work towards the formation of the St Paul's Group, strengthening our links with academically successful non-profit boys prep schools who regularly send pupils to our school. This initiative was in part responsive to demand from prep schools, who welcome the opportunity to achieve greater financial and academic resilience through joining forces with St Paul's. This initiative offers St Paul's the opportunity to broaden its commitment to excellence in academic boys' education and provides a great opportunity to establish a research centre based at St Paul's to initiate research projects and to promote academic development in this important area as well as strengthening our ties to important feeder schools. Work on the Group was undertaken through the summer of 2025 and has resulted in the public announcement of the Group in November with Shrewsbury House and Durston House Prep Schools as founding members.

ST PAUL'S SCHOOL

CHAIR OF GOVERNING BODY'S STATEMENT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

Visitors to our school will now see that the Junior School rebuilding is nearing completion and it presents a splendid sight as you enter the School. It is exciting that the Junior School (soon to be renamed St Paul's Prep School) will have completely new buildings designed to meet their needs with a wide range of facilities and the staff and pupils are excited to occupy the new buildings in January 2026. The Governors are particularly pleased to report that it is being completed on budget and slightly ahead of schedule and we appreciate the excellent work of all of our staff and consultants and contractors responsible for bringing this major project to a successful conclusion. The Governors remain committed to continuing to improve the School estate.

The School finances remain sound though this has been a year of tight budgets as the effect of the Governors' decisions to moderate the impact of VAT to the greatest extent possible has been felt and generally to try to limit the inexorable growth in fees. The tightening of budgets has not been visible to our pupils and has not affected the work of the School in offering one of the best boys' educations in the country. The Governors are proud that our commitment to bursaries remains strong, with about 10% of the pupil body receiving bursaries and we have maintained our partnership programmes with neighbouring schools though our bursary and partnership programmes are now funded from the School's voluntary and investment income, rather than from fee income.

The Governors are particularly proud of the ability of our senior leadership and staff to drive forward a major building project as well as working towards the formation of the Group while retaining a strong focus on continuing to improve the academic and co-curricular offer and achieving such excellent results. We are very conscious of how fortunate our school is to have a teaching and administrative staff body who are prepared to work hard to achieve these results and we would like to express our appreciation to the staff and pupils for everything that has been achieved over the last year.



Richard Cassell
Chair of Governors

4 December 2025

ST PAUL'S SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT

OBJECTS, AIMS AND OBJECTIVES

Charitable 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; and
- To pursue the objects of the School by running a boys' school and only educate members of the opposite sex with the prior written consent of, and subject to, any restriction imposed by the Mercers' Company.

Aims and Intended Impact

The School has a strong academic tradition which it is committed to maintaining. The School aims to provide an excellent all-round education for able boys, which includes scholarship, breadth and balance in the curriculum, the highest standards of pupil welfare and a wide programme of varied sporting, artistic and extra-curricular activities.

In the furtherance of these aims the Governors, as the charity trustees, confirm that they have complied with the duty in Part 2(17) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit.

Aims of the School

- To provide an outstanding intellectual, spiritual and physical education, combining tradition with the best of the present, which prepares boys for their future.
- To honour John Colet's founding commitment that St Paul's is open to academically eligible boys, regardless of their economic or social circumstance.
- To foster a culture of scholarship, and to develop a spirit of enquiry and curiosity, through inspirational and responsive teaching.
- To provide a structure of individual and pastoral care that promotes a boy's independence, whilst fostering respect, kindness and service.
- To develop and maintain the School's facilities in order to ensure that the physical environment of St Paul's sustains the excellence of its education.
- To build substantive links with the local community through Pauline voluntary service, partnership programmes and the sharing of facilities.

Objectives to Achieve the Aims for the Year

Our vision is to nurture a generation of Paulines that will make a positive contribution to the world. As the country's top academic school for boys, we care about exam results, but our real motivator is inspiring joy in learning and cultivating deep scholarship. We focus on bringing together leading experts in raising young men and thinking deeply about what that entails; character development and rich opportunities for growth within and beyond the classroom. It is our belief that by building integrity and providing opportunities for service, we will encourage our pupils to lead socially responsible lives. Our three pillars of Scholarship, Opportunity and Character are the foundation of all that we do and we actively focus on five core character traits: Respect, Kindness, Humility, Integrity and Resilience.

Three to five-year objectives were approved by the Governing Body from the 2023/24 financial year, to be considered on a rolling basis. For 2024/25, rolling objectives that are ongoing were identified and had minor updates where necessary. New objectives were listed in a separate section. There was no priority order assigned to the objectives.

Ongoing / Further Developed Objectives From 2023/24

1. Grow collaboration between SPS and SPJ in order to build the 7-18 experience, particularly through the Key Stage 3 curriculum and transfer into the senior school.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms for sharing this more widely, producing new marketing materials and working with the new team in Admissions.
3. Continue to determine the future of Boarding at the School, working through the boarding review and plans for a new house, ensuring best practice and a focus on pupil wellbeing.
4. Continue to establish a clear framework for all employees (support teams as well as teachers) to be recruited, managed, developed and supported as needed for the future.
5. Continue the growth of collaboration with SPGS, cementing the Memorandum of Understanding and preparing for the arrival of the new High Mistress.
6. Complete and implement the curriculum review – preparing thoroughly for the proposed changes in SPS for September 2025.
7. Ensure that Paulines get individualised support and comprehensive opportunities within the changing global higher education and careers landscape to achieve a place at the institution that best reflects their future goals. This will include embedding the new Director of Careers and Universities.
8. Continue to improve and better design the ways in which a St Paul's Education attends to the broader social and moral development of our pupils, including better inculcating our School values and 'character' into the curriculum and promoting a concern for social justice.
9. Ensure that our admissions system can identify potential Paulines from all areas of society.
10. Increase public benefit work with the West London Partnership and others.
11. Continue to develop a financial strategy that informs budgetary process and addresses threats to the sector.
12. Continue to build upon initiatives for commercial income to support the wider work of the School.
13. Refresh the site masterplan in order to establish effective estate planning for the future.

New Objectives For 2024/25

1. Embed the new Designated Safeguarding Lead and other safeguarding roles to ensure that best practice in safeguarding – including on line safety – is met in all areas of the School at all times.
2. Embed the new team into Admissions successfully, ensuring continuity of relationships with feeder schools.
3. Successfully implement the Shaping our Future: Next Steps campaign.
4. Respond appropriately to any financial legislation impacting independent schools in a manner which places pupil wellbeing and the support of our immediate community and partners at the heart of our plans.
5. Further develop SEND practice and support at the School, making SEND information easier to access, increasing staff training and specialist SEND support in lessons.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

6. Continue to develop policies to support pupils' wellbeing – ensuring that all pupils are able to thrive.
7. Develop and enhance all forms of pupils' voice within the School.
8. Establish a whole School plan for sustainability which combines both site and practical issues as well as education.

Progress has been made on all of the Governors' ongoing / further developed objectives and the new objectives during the year ended 31 August 2025 although a number are carried forward into 2025/26 (see 'Future Plans' section of this report). Objective 11 of the ongoing / further developed objectives from 2023/24 relating to the School's financial strategy and objective 4 of the new objectives for 2024/25 relating to financial legislation are addressed in both the Chair of Governing Body's Statement and the Financial Review section of the Governors' Report. Some of the key outcomes and achievements are highlighted below:

- A sustainability working group has been formed. We have reviewed our scope 1 and 2 emissions and are now moving to measure scope 3 (non-direct / supply chain).
- Consultation on the staffing change as a result of the boarding review has been completed. The appointments of a new Housemaster, Deputy Housemaster, House Tutors and part time Matrons have all been made.
- Student Council and Pupil Voice mechanisms at SPS and School Council at SPJ are now well established.
- The ISI inspection in January 2025 highlighted the School's compassionate support and professionally warm staff-pupil relationships along with the pupils' strong academic outcomes.
- The development and implementation of the recommendations of the KS3 / 4 Working Group were put on hold due to staffing pressures. The restructure of the SPJ senior academic team with Heads of Faculty will enable this work to be picked up quickly and effectively in 2025/26.
- The volunteering and wider partnership programme in SPS continues to support the inculcation of School values and 'character' into the curriculum. In SPJ, character conversation assemblies and form times have been introduced.
- A whole school staff wellbeing policy is now in place and strategies and action plans for each area of the School are being finalised.
- Workstreams have been established for the ongoing growth and monitoring of the collaboration with SPGS.
- The curriculum review is complete and the new 50-minute period length was introduced in SPS from September 2025.
- SEND information is now much easier to access on the School's systems as well as being more fully integrated into academic systems and wellbeing outcomes.
- The new DSL is now fully embedded together with the new Director of Admissions and Registrar.
- The Shaping Our Future: Next Steps campaign remains on track.
- A full benchmarked review of commercial hire fees has been undertaken and a new charging framework implemented.
- A full space audit of the School site has been undertaken meaning that a full site masterplan can now be completed. Construction work on the new Junior School buildings is proceeding as planned with full occupation scheduled from the start of the Spring term 2026.

ACTIVITIES

Review of Achievements and Performance for the Year

In addition to the specific aims and objectives for the year, below are some key outcomes in relation to the operational (educational) performance of the School.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Operational Performance of the School

2024/25 was an outstanding year in terms of operational performance. Exam results remained exceptional. At A Level, 59% of grades awarded were A*, 93% were A* or A and 98% were A* to B. It is worth highlighting that A*A performance was the best on record since COVID. At GCSE and IGCSE, 68% of grades awarded were Grade 9 and 90% were Grade 8 or 9. These results meant that St Paul's was comfortably the highest performing all boys school in the UK. Of Paulines heading to university in 2025, 95% of UK bound pupils went to a Russell Group university – with 100% gaining at least one Russell Group offer - and 44 took up places at Oxford or Cambridge. Applications to the US remain strong with 30% of pupils applying overseas and the vast majority gaining offers to consider. 38 – a rise on last year – have headed to the US.

The school remains very heavily over-subscribed at all points of entry. During the 2024/25 academic year, 147 pupils received bursary awards – around 9.7% of the School – with 93 being awarded more than 75% of fees.

In January 2025, we were inspected by ISI and met all standards. The school was also awarded a 'Significant Strength' for the impact of the co-curricular programme and the benefit it provides to all pupils. Other notable awards in this year have included being shortlisted for Independent Senior School of the Year at the TES Schools Awards and winning Enveloping EDI in the Curriculum (Education Choices Awards) and Best for Entrepreneurship and Innovation (The Week Independent Schools Guide).

Pupils at the school have continued to excel in a range of areas. At St Paul's Juniors, our U11A team were crowned national champions at the National Primary Schools Chess Finals in the Summer term. The junior school swim team, comprised of 16 boys, came second in the IAPS National Swimming Championships. The junior boys also continued our close partnership with Castelnau Community Centre in Barnes for a second year. Not only did this see boys giving of their time in order to perform music and magic for the elderly guests at the Golden Oldies' Lunches but also raising over £10,000 for the Centre through our entrepreneurial '3x3' challenge over the Easter holidays. This sees the boys given £3 for a period of 3 weeks and asked to develop products or services which might generate a profit.

At the Senior School, the U15 Rugby team won the Continental Vase, the First XI won the Senior ISFA Bowl final and we had our highest ever medal tally at the National Schools Regatta. We also achieved National level successes in Young Enterprise and in charitable work through Wings of Hope. In debating, two of the five-person England squad were Paulines and, in chess, we were 5th in the National Final. Team Firefly continue to perform at an exceptional level in the Greenpower kit car competitions nationally.

Outstanding Achievements 2024/25

For a full list of outstanding pupil achievements for the 2024/25 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

Principal Activities of the Year (including Public Benefit)

The total number of pupils at the School was 1,514 of whom 504 were at St Paul's Juniors and 1,010 at St Paul's (SPS). Of the total number, 147 (2024: 138) pupils were assisted with means tested bursaries. 63% (2024: 73%) of these awards were either full fee or higher than 75% of fees compared to 49 bursaries in total and 45% at the same level in 2015-16. The total means-tested bursaries for the year ended 31 August 2025 were £3,499,000 (2024: £3,361,000) representing 8.3% (2024: 8.0%) of gross School fees. Widening access to the School, through increased bursary support as necessary, remains a priority and, for the 2025/26 academic year, there are currently 144 pupils being assisted with means tested bursaries, with 72% of these awards being either full fee or higher than 75% of fees. The School's bursary awards, in addition to the main School fee, cover educational trips which form part of the curriculum, bus transport, iPads (where applicable), music tuition fees (where applicable), examination fees, books and School uniform.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships

Charity Partnerships

The St Paul's Charity Committee (made up of staff, parents and pupils), set up in June 2019, alongside the Pauls4All L8th Charities Committee, have worked hard to fundraise for and increase awareness about our chosen charity partners. For 2024-5 we were supporting Man&Boy, AllChild, London Sports Trust and Little Village. Over a series of non-uniform days and with other new events for the year such as the two Charity Fairs, slightly over £5,500 was raised for these four local charity partners. Representatives from the four charities came in on the last day of the Spring term 2025 to run activities for our pupils, raising awareness about the causes that we support.

2024/25 also saw the successful launch of the Wings of Hope programme for our 4th and 5th Form students, through which £13,000 was raised for the education of children in India and Malawi. SPS emerged as the national winners of this programme. The Zambia trip took place over the summer of 2025 also. 19 pupils flew out in July and between them raised over £14,000 for the Beyond Ourselves Charity.

SPJ raised £13,500 for Castelnau Community Centre and a further £1,300 from the Environmental Patrol Group's fun run. The total raised by pupils across SPS/SPJ during the 2024/25 academic year for partner charities was approximately £46,000.

School Partnerships

The School employs a full time Assistant Director of Partnerships and Service responsible for community relations and developing academic and sporting partnerships as well as promoting the use of School facilities within the local community. An overview of existing programmes is shown below. Over 4,700 state school pupils benefit.

Selected Local School Partnerships 2024/25 (state school pupil numbers in brackets where available)

Academic Partnerships	Community/Sports Partnerships
Chemistry – Year 10 – 4 week Saturday programme (18)	Capsize Drills for local rowing clubs – 1 Club 60 participants
Oxbridge preparation for Year 12/13 (44)	Lowther School weekly swimming – 50 pupils every week (term time)
Residential Material Science School with Discover Materials and MoMa (33)	Westside Basketball Club (110)
Residential Particle Physics School in partnership with Queen Mary's University (33)	BCLF primary school programme (1,240)
Space School in partnership with Mullard Space Science Laboratory UCL (25)	World Cup Day Football June 2025 (124)
Quantum Day – lectures and workshops (91)	Regular fixtures with Fulham Boys and other WLP schools
E-ACT Higher Ability Maths Conference (130)	Gymrun in 3 primary schools (270)
E-ACT Higher Ability Science Conference (104)	Friday Volunteering (529)
Latin Cohorts preparing for GCSE (3 year groups, Y9-11) (56)	St Mary's Ukraine School homework club
Creative Writing with Write Space (24)	FUEL holiday camps for children on free school meals (106)
Economics Trading Day & Entrepreneurship (113)	SPJ Football tournaments
6 th Form Entrepreneurship (80), Model UN (28)	NHS Sports Day
Biology – 3 week Saturday Programme (15)	Walking Football
Physics Year 12 - 3 week Saturday (26)	
First Medics Masterclasses – pupils applying to study medicine (17)	
NPL lectures (480), Humanities Conference (93)	
STEM Revision GCSE & A Level (4 days Easter holidays) (104)	
Primary Professors (110), Primary Latin (16), Primary Off-Site Masterclasses (100)	
Numbers Nest – Colet Club (255), Higher Education Conference (152)	
Year 9 Match Challenge (48)	

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

Most of the above programmes take place at St Paul's, are run by SPS/SPJ staff or volunteers and take place during term time as well as after school, at the weekend and during school holidays. Other major programmes, some in addition to the table of activities above, are highlighted below:

Colet Mentoring: The Colet Mentoring programme continues to be a popular choice for SPS pupils to volunteer. Over the 2024/25 academic year our in-house developer has redesigned Colet Mentoring from the foundation up so that we have full control of the codebase. The plan is to move away from the mobile app, developed by two old Paulines, as they no longer have an interest in the EdTech sector. Around 40 of the 4th and 5th Form pupils spent time during their lunch breaks supporting UK primary school students and Y9s in Zambia in Maths, illustrating how SPS Partnerships works locally and globally. We have agreed a Data Protection Impact Assessment (DPIA) with the E-ACT academy trust with hopes to expand the new Colet Mentoring App across the trust nationally.

West London Partnership: As part of the School's partnership strategy, this local private-state partnership was established formally in May/June 2020 with five independent schools and five local state schools. There are now four independent schools and six state maintained schools in the partnership. The WLP with schools held 47 events with 3,218 pupils from the schools taking part. The WLP coordinated four CDP events throughout the year with 286 staff taking part. There were 14 unticketed events that were open to all WLP pupils and staff.

St Paul's Teachers in Partner Schools: During the 2024/25 academic year, nine teachers spent regular time in West London Partnership state schools or local primary schools. While some of this was teaching pupils (e.g. Maths masterclasses / Oxbridge preparation) most found themselves best utilised supporting curriculum development, sharing best practice around teaching and learning in their subjects, and mentoring early career teachers.

Primary Professors: During the course of the year, approximately 100 Y5 pupils from 30 local primaries have taken part in a range of academic enrichment lessons from STEM to Entrepreneurship and Forest School as part of Primary Professors. Around six Y12 pupils from SPS and SPGS volunteer on the programme. Lunchtime Colet Clubs have grown from six to 18 in our local primary schools. The club is a stretch and challenge Maths club for pupils in Years 5 and 6. The children complete the activity set on the Number Nest page of the St Paul's website (at their own school) and connect with a mentor at St Paul's through Colet Mentoring if they require support. These children were then invited into St Paul's for two 'Colet Club Maths Challenge Events' in the Autumn 2024 and Summer 2025 terms. Our world cup football day continued to blend sport with music, art and geography for 124 Year 5 students this year. Through our Friday volunteering 119 students took part in the First LEGO league, engaging them in engineering and computer science.

STEM Summer Schools: Three residential Summer STEM Boarding Schools on Particle Physics (in partnership with Queen Mary's University London), Material Science (in partnership with the Institute of Materials, Minerals and Mining and Discover Materials) and Space School (in partnership with the Mullard Space Science Laboratory at UCL) took place involving 91 Y10 students from around the country. Over 80% of the students on the Summer Schools attend schools above the national average of free school meal students with 60% of students living in the top quartile of the index of income deprivation affecting children (IDACI), as defined by their home postcode.

HEAT Collaboration: We were accepted as the first school to be part of a collaboration of 120+ universities in the UK as part of the HEAT collaboration. The HEAT collaboration provides a database to securely store information of student interactions along with a suite of tools to assess short term and long term impact on their academic career through to higher education and beyond.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

Use of School Facilities by the Wider Community: We supported the Barnes Festival, Stoneleigh Youth Orchestra, Putney and Wimbledon Brass Band, Amber Trust and Okatar Kraus Music Trust with rehearsal space and use of the Wathen Hall building to perform their concerts. We supported Cardinal Vaughan School with the Wathen Hall to deliver their end of year performance for parents. West London Free School used the Dorfman Theatre for rehearsals for their end of year production, filling the theatre on two consecutive nights. Sporting clubs are run by both SPS staff and local volunteers, and offer young people a range of activities throughout the year. The School also lets out its facilities free of charge to local primary and secondary schools and charities, including Westside Basketball and Barnes Childrens' Literary Festival. Many local sports clubs also make use of our excellent sports facilities. Regular users are Barnes Swimming Club, Penguins Water Polo Club and Westside Basketball Club. We provided Chelsea Football Club Foundation access to our 3G pitch twice a week to provide 'non scouting' free football sessions for the local community. In partnership with Westside Basketball Club, we support FUEL camps during the Christmas, Easter and Summer holidays working with local primary schools to identify pupils on free school meals.

Volunteering and Community Engagement

Volunteering and community engagement allows our pupils opportunity to engage the five character traits throughout our wider community. All Lower Eighth pupils participate in volunteering activities during the Autumn and Spring terms, working in partnership with one of our partner schools or charities. This initiative forms an integral part of the PSHE and General Studies curriculum, fostering a sense of social responsibility and community awareness. Pupils may elect to continue their volunteering commitments into the Summer term should they wish to do so.

A range of additional volunteering opportunities is offered to Sixth Form students following the completion of their GCSE examinations. These include placements with the Schools' established charity partners, as well as participation in the Pauls4All Beyond Ourselves programme, through which 19 Sixth Form pupils travel to Zambia each year to engage in community development work. Opportunities for service extend across all year groups through Colet Mentoring, the School's peer-to-peer learning platform. This online initiative enables pupil mentors to provide academic support to partner pupils reinforcing both collaboration and leadership skills. Furthermore, the majority of Fifth Form pupils undertake regular volunteering as part of their Duke of Edinburgh Award programme.

Alumni Activities

The School maintains contact with previous pupils mainly through The Old Pauline Club, which is independent but closely associated with the School. A number of social events are held during the year themed around professional interest groups or year of attendance. Current pupils and staff are invited to a number of these events.

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School's energy usage and emissions for the year ended 31 August 2025, as prepared by an independent consultant, were as follows:

	2025	2024
UK energy use in kWh	5,490,870	5,269,629
Associated Greenhouse Gas emissions in Tonnes CO ₂	1,006	1,016
Intensity ratio (tonnes of CO ₂ per pupil)	0.664	0.661

UK energy use covers all of the School's educational and operational activities. Associated Greenhouse Gas emissions have been calculated in accordance with the UK Government 2025 GHG conversion factors. During the reporting year, the School has undertaken the following actions to improve its energy efficiency:

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

STREAMLINED ENERGY AND CARBON REPORTING (continued)

- Reduced the depth of the deep end of the swimming pool by 1,300mm. This has decreased the volume of the pool by 170 cubic metres and thus will save on heating costs.
- Replaced the heating loop in the swimming pool changing rooms with radiant heating panels which are more energy efficient.
- Installed LED lighting to the changing rooms and ancillary spaces.
- Continued with the upgrade of the Building Management System which will provide better visibility of the heating and ventilation systems and, in turn, lead to an overall reduction in consumption.
- Relocated the cycle shelters to make them more user friendly and in turn thereby encouraging more staff members to cycle to work.
- Continued with the Green Commute Initiative cycle scheme alongside the cycle to work scheme.

FUTURE PLANS

The creation of three to five year objectives was approved by the Governing Body in 2023/24, to be considered annually on a rolling basis. For 2025/26, rolling objectives that are ongoing from 2024/25 have had minor updates where necessary. Some new objectives for 2025/26 have also been identified. There is no priority order to the objectives.

1. Continue with the development of a whole School plan for sustainability which combines both site and practical issues as well as education.
2. Continue to determine the future of Boarding at the School, including consideration and planning for a new house. Continue to always ensure best practice and emphasis on boarders' welfare.
3. Continue to respond appropriately to any financial legislation impacting independent schools in a manner which places pupil wellbeing and the support of our immediate community and partners at the heart of our plans.
4. Ensure a secure pipeline of boys to be potential Paulines at each entry point, including support for 13+ transfer.
5. Continue to develop policies and practices to support pupils' wellbeing, ensuring that all pupils are able to thrive.
6. Continue to improve and better design the ways in which a St Paul's Education attends to the broader social and moral development of our pupils; including better inculcating our School values and 'character' into the curriculum and promoting a concern for social justice.
7. Ensure the current scholarship provision is fit for purpose.
8. Grow collaboration between SPS and SPJ in order to build the 7 – 18 experience, particularly through the Key Stage 3 curriculum and transfer into the Senior School.
9. Embed a coherent, values-driven system for recruiting, developing and retaining staff, with clear progression, aligned induction and meaningful appraisal for all roles.
10. Continue growth of collaboration with SPGS, cementing the Memorandum of Understanding and welcoming the new High Mistress.
11. Implement the curriculum review and monitor its impact.
12. Ensure that Paulines get individualised support and comprehensive opportunities within the changing global higher education and careers landscape to achieve a place at the institution that best reflects their future goals.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

13. Further develop SEND practice and support at the School, including improved linkage between SEND and Pastoral support systems, and between SPJ and SPS.
14. Ongoing implementation of the Whole School Staff Wellbeing Policy, and associated strategies and action plans, to continue to promote and enhance the wellbeing and mental health of all staff.
15. Develop, establish and implement the SPS Digital Strategy.
16. Embed the new safeguarding software to ensure the best practice in safeguarding – including online safety – is met in all areas of the School at all times.
17. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector, particularly with regard to the education and development of boys, and explore platforms for sharing this more widely, producing new marketing materials and working with Admissions.
18. Ensure that our Admissions system can identify potential Paulines from all areas of society.
19. Consolidate public benefit work locally within the West London Partnership and primaries and grow it nationally (via residential summer schools and Colet Mentoring) to support higher ability teaching and learning through links with Multi-Academy Trusts.
20. Successfully implement the final year of the Shaping Our Future: Next Steps campaign and work with the Governing Body to set the next targets.
21. Continue to develop a financial strategy that informs budgetary process and addresses threats to the sector.
22. Continue to build upon initiatives for commercial income to support the wider work of the School including the new Junior School buildings and Boarding House.
23. Refresh the site masterplan in order to establish effective estate planning for the future.
24. Build on the initial work carried out in respect of the St Paul's School Group with a view to formally launching the group during the 2025/26 academic year.

RISK MANAGEMENT

The Governing Body is responsible for identifying and addressing risks. Governors are aware of the need for prudent financial management, following the re-building of the Senior School and construction of the new SPJ buildings. We have successfully implemented plans to adjust fees in the light of VAT and with the loss of charitable business rates relief. The School has taken proactive and significant steps to secure its profile and the stability of the 13+ market in the light of substantial changes to the independent school sector through forming The St Paul's School Group. This was achieved through a Change of Control Agreement with the founding members of Durston House School and the Shrewsbury House School Trust. We have also established a Research Centre for the Education of Boys in order to secure our position as the leading independent school in this area and to collaborate with others working in their field.

A formal review of the School's risk management controls is performed annually but risk management is at the heart of all decision making. The Governors and executive staff regularly review and update procedures in order to identify and mitigate risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results are presented on pages 23 - 45 of this report. During the year there was a net decrease in funds of £213,000 (2024: net increase in funds of £2,817,000) bringing the total funds to £127,451,000 at 31 August 2025 (2024: £127,664,000). In addition to the School's operational deficit, the main reasons for the decrease in funds for the year were VAT on fees i.e. not passing the full 20% fee increase on to parents offset by bank interest, investment income, net gains on investments and pension scheme actuarial gains.

The School's main income is from fees. The total income of £48,343,000 (2024: £49,100,000) consists of unrestricted income of £46,515,000 (2024: £46,788,000), restricted income of £1,703,000 (2024: £1,674,000) and endowed income of £125,000 (2024: £638,000). The restricted income funded bursaries, scholarships and prizes. The unrestricted income, in addition to fees, includes bank interest, investment income, trading income, donations and legacies and other categories such as rents received.

Within total expenditure of £50,776,000 (2024: £50,411,000), educational costs were the largest category of expenditure at £28,858,000 (2024: £27,150,000) followed by premises costs at £8,951,000 (2024: £8,887,000).

The School's finances continued to be monitored very closely during the year and remain in a strong position. The unrestricted net income for the year before investment gains and transfers reduced from a surplus of £172,000 to a deficit of £685,000 but this was due primarily to the decision by the Governing Body not to pass on the full VAT on fees increase to parents from January 2025. There was also the unbudgeted increase in Employer's National Insurance contributions from 13.8% to 15% from April 2025. For the budget for 2025/26, a full review of costs has been undertaken in order to identify potential savings which do not impact on the pupil experience. This was in order to keep the fee increase in September 2025 to a reasonable level for parents whilst recognising that we need to award staff a competitive cost of living increase.

Reserves Policy

The funds at the year-end totalled £127,451,000 (2024: £127,664,000) which included £88,663,000 of unrestricted funds (2024: £92,038,000), £26,199,000 of designated funds (2024: £23,436,000), £5,801,000 of restricted funds (2024: £5,786,000) and £6,788,000 of endowed funds (2024: £6,404,000).

The Trustees have set a reserves policy which requires:

- a reserve of £5million to be maintained, separately from the School's working capital, to ensure the School can continue to pay salaries and creditors for three months with no additional income;
- a reserve to cover the cash required by the budgets formally committed to the rebuilding project;
- a contribution of £2,173,000 as at 31 August 2025 (2024: £2,048,000) out of the School's cash surpluses into a designated Future Estate Capital Fund dedicated to the long-term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. This annual contribution will reduce to £1,000,000 as at 31 August 2026 for one year only and is then expected to increase in subsequent years;
- a commitment to set aside any remaining cash surpluses from each financial year after the above contribution to the Future Estate Capital Fund and Private Placement capital repayments towards future bursary awards and partnerships / public benefit work. This designated fund will be used in 2025/26 to fund the School's partnership work together with other associated fundraising and bursary costs.

As at 31 August 2025, the School has negative free reserves of £50,272,000 after allowing for the above reserve of £5,000,000 which is held in readily available cash. This reflects the substantial investment that the School is making, and will continue to make, in its buildings. The negative free reserves position is therefore expected to continue for the foreseeable future. However, the School continues to have a strong net current asset position of £16,012,000 (2024: £39,660,000). Therefore, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Investment Policy

In accordance with the Memorandum and Articles of Association, the Governors have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The policy is for a medium risk investment approach. Two investment managers, WIM Asset Management Limited (formerly known as Waverton) and Sarasin & Partners, manage the investment of the School's endowed funds, restricted bursary funds, Kayton legacy funds and the Future Estate Capital Fund with the restrictions that no funds are to be placed in the following areas: pornography, armaments, gambling, tobacco and direct investment in fossil fuel stocks. The School also continues to hold short to medium term secure deposit accounts with UK banks. With the consent of the Finance Committee, the Finance Director may invest monies that will not be needed by the School at short notice. Investments are reported at every Finance Committee meeting. The policy is reviewed annually to ensure it remains in line with the School's objectives and prevailing economic conditions.

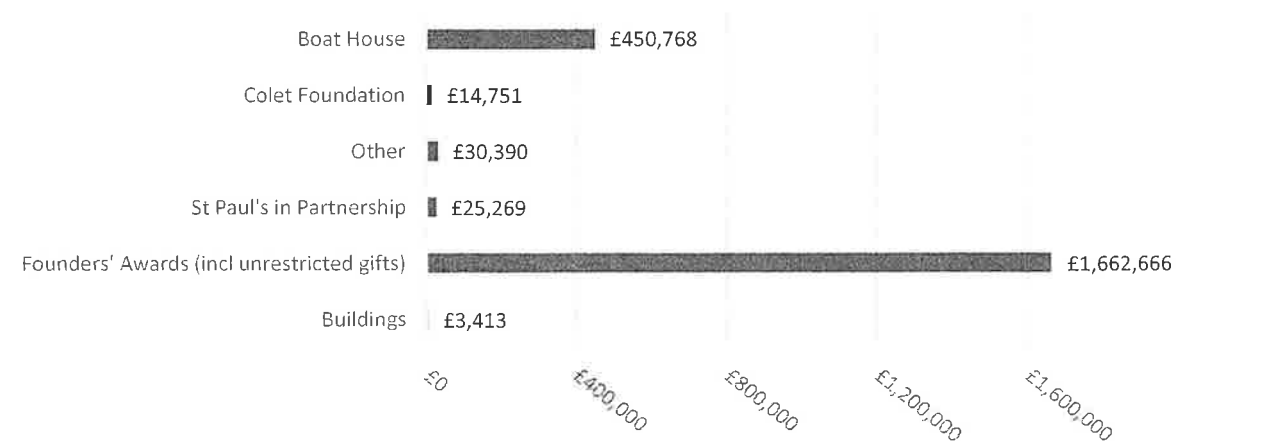
Investment Performance against Objectives

The market value of the School's investments at the end of the year was £33,060,000 (2024: £28,362,000). The School's investments are mainly in equities and funds. The value of the portfolios held with WIM Limited and Sarasin & Partners have increased by 14.18% and 0.98% respectively in capital terms. Note that the performance of Sarasin & Partners is shown from November 2024 which was the date that they took over the management of the School's investment portfolios from Rathbone Investment Management Limited. The difference in performance reflects the different mandate for each investment manager. This performance is significantly above the benchmark of CPI plus 4.50% for WIM but below the benchmark of CPI plus 3.00% for Sarasin & Partners.

Fundraising Practices

This 2024/25 academic year was the second year of the £8.5 million *Shaping Our Future: Next Steps* campaign, launched in May 2024 (quiet phase from 1 September 2023). The *Next Steps* initiative continues on from the *Shaping Our Future* campaign, narrowing focus on two main areas: growth of our Founder's Awards (Widening Access) to 10% of our pupil cohort and St Paul's in Partnership, continuing to support the growth of our partnership model. We have raised £2,187,257 during the 2024/25 academic year in cash donations across all areas of the School (see Fig. 1). An additional £181,250 of forecast donations from high-net-worth donors were pledged towards the end of the 2024/25 academic year, which are yet to come in. We will allocate these into 2025/26, along with other projected pledges due in this year. During the year, the expendable endowment generated investment gains of an additional £311,292, attributable to the performance of funds established through three significant donations received in prior years. These funds have been directed towards areas identified as part of the *Next Steps* campaign. Projected pledged income for the remainder of the *Next Steps* campaign areas of bursaries and partnerships includes £443,986 in high-net-worth donations of and £212,326 in regular gifts. This brings the campaign's projected total to £4.8m to date.

Fig. 1 Total fundraising cash income by project for 2024/25 (total £2,187,257)



ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

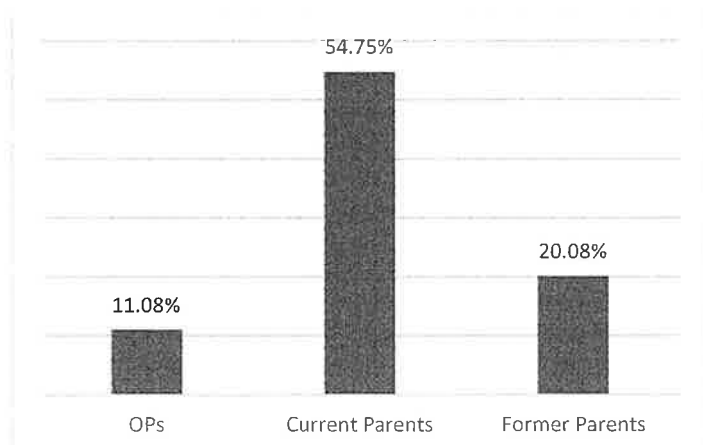
STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

We receive significant support from across the whole of the St Paul's community. Current parents continue to be our greatest supporters with 54.75% of our parent body giving to our vision and 11.08% of OPs (at July 2025) – see Fig 2.

Fig. 2 Breakdown of giving by constituent



With this in mind, fundraising is seen as part of the fabric of the School and introduced as such at events, including the SPJ and SPS new parents' evenings, where we have an opportunity to speak about what philanthropy means to St Paul's and the opportunities for our community to get involved, such as the 1509 Society. At the end of this academic year, we now have 661 regular donors giving regularly towards the funds below – equivalent to £1,042,044 over 5 years. The most popular regular donation amount is £15.09 with 201 donors giving at this level.

For further information, please see the School's Public Benefit and Philanthropy Report for the 2024/25 academic year using this link - https://issuu.com/stpaulsschoollondon/docs/st_paul_s_school_impact_report_2024_25

1. Fundraising targets for Widening Access (Founder's Awards) - £7 million

Target	£150,000	£3,250,000	£3,600,000
Achieved	£1,648,443	£2,439,795	

2. Fundraising targets for St Paul's in Partnership, which includes Pauline Service in the community, partner schools' programme, developing enterprise skills and building awareness of bursaries - £1.5 million

Year	2023/24	2024/25	2025/26
Target	*	£750,000	£1,465,000
Achieved	£10,003	£25,269	

*Our target for 2023/24 was a focus on time spent linking individuals with the various partnership projects that we will be fundraising for in the following years.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

3. Boathouse refurbishment - £1 million

Year	2023/24	2024/25	2025/26
Target	£200,000	£400,000	£400,000
Achieved	£203,768	£450,768	

Giving Day 2025

Buffalo Fundraising Consultants were employed to support the infrastructure for the 2025 bi-annual Giving Day which took place from 30 April – 1 May 2025. The two-day fundraising campaign raised £316,153 for our Shaping Our Future: Next Steps Campaign. There were over 500 donors to this year's event. The largest gift was £50,000 and the smallest gift was £1.00 (£1.25 gross). The most common gift amount was £100 with 165 donors giving at this level.

The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices'. The School also adheres to the Code of Fundraising Practice and associated rulebooks and is a member of the Institute of Development Professionals in Education (IDPE). Various members of staff also have personal membership of the Chartered Institute of Fundraising. Ellie Sleeman, Director of Development, hosted the IDPE Regional meeting at St Paul's and Kirsty Murdoch, our Head of Development and Operations, is currently serving as Co-Chair of the IDPE Conference for 2025 and 2026, representing St Paul's amongst independent and state schools country wide.

There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation and the School received no complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) which came into effect in May 2018. As a school, we are fully compliant with GDPR and take our responsibilities seriously.

Companies (Miscellaneous Reporting) Regulations 2018

The Governors have promoted the success of the School by acting in good faith to assist the charitable company to meet its aims and objectives. Further detail on this can be found in the 'Objectives to Achieve the Aims for the Year' section of this report on pages 3 to 5.

Employees are involved in, and consulted about, a variety of School and workplace issues through a range of mechanisms. A range of detailed HR policies support the charitable and business objectives and ensure compliance with employment legislations. These are reviewed at least annually. A Joint Consultative Forum (JCF) is also in place, with representation from SPS and SPJ teaching staff and support staff. The JCF enables employees to raise issues with the Executive on a regular basis and the minutes of those meetings are viewed by the Governors.

The School provides various support mechanisms to promote the wellbeing of employees. These include a health cash plan which, amongst many benefits, includes reimbursement for eyesight tests together with a contribution towards the cost of glasses), a chaplain, a medical centre, the provision of flu vaccinations, physiotherapy sessions and School counsellors. A Whole School Staff Wellbeing Policy was introduced during the course of the year.

In accordance with the Equal Opportunities Policy, the School seeks to treat all employees, all other members of the School community and any person visiting the School equally, regardless of their disability. The School expects all employees and all other members of the School community to comply with this policy. If an employee is disabled or becomes disabled during the course of employment, the School will endeavour to support the employee to as great an extent as possible

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRATEGIC REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

John Colet, Dean of St Paul's, founded St Paul's School in 1509 and placed the administration in the hands of The Mercers' Company. The School is a company limited by guarantee with charitable status (company number 6141973, registered charity number 1119619) which is governed by its Memorandum and Articles of Association. The Mercers' Company, a Livery Company, a body corporate formed by Royal Charter in 1394, is the sole member. The School has two linked charities, The St Paul's School General Charitable Trust (registered charity number 1119619-1) and St Paul's School Central Prize Fund (registered charity number 1119619-2) which hold the School's endowment funds.

Governing Body

The Governors of the School are the trustees of the charity and directors of the company. The Governors serving at the date of this report, and who served throughout the period 1 September 2024 until 31 August 2025 (except where otherwise stated), are:

Richard Cassell (*Chair*)
Tim Haynes (*Deputy Chair until 28 March 2025*)
Alison Palmer (*Deputy Chair from 1 April 2025*) (*Boarding Governor*)
Tom Adeyoola
Sarah Barker
Jaideep Barot (appointed 1 September 2024)
Vernan Exelby (*Safeguarding Governor, Educational Visits Governor, e-Safety Governor*)
Andrew Fenwick
Joanne Harris (*Health and Safety Governor, Inclusion Governor from 23 April 2025*)
Harold Hampson
Samuel Newhouse
Aisha Sanusi (*Inclusion Governor*) (retired 28 March 2025)
Sarah Thomas (*SEN & Learning Support Governor from 1 September 2024*) (retired 4 July 2025)
Rupert Tate
Mark Tuffney (*SPJ Governor*)
Rt. Hon. Lord Vaizey

*Committees (Non Governors are marked with an *)*

Education Committee:

Sarah Thomas (*Chair*) (until 4 July 2025)
Jaideep Barot (from 1 September 2024)
Tim Haynes
Rupert Tate
Mark Tuffney

Finance Committee:

Harold Hampson (*Chair*)
Richard Cassell
Andrew Fenwick
Samuel Newhouse
Alison Palmer

Nominations and Remuneration Committee:

Alison Palmer (*Chair*)
Richard Cassell
Tom Adeyoola
Sarah Barker

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Public Benefit Committee:

Samuel Newhouse (*Chair*)
Richard Cassell
Tom Adeyoola
Aisha Sanusi (until 28 March 2025)
Rt. Hon. Lord Vaizey
Robert Engel (co-opted member from 1 September 2024) *

Safeguarding Committee:

Veryan Exelby (*Chair*)
Joanne Harris
Sarah Thomas (until 4 July 2025)
Nick Arnold *
Nick Hudson * (from 1 September 2024)
Clare Kelly * (from 1 September 2025)
Nicola Taylor * (from 1 September 2024 until 4 July 2025)
Nick Watkins *

Key Management Personnel:

High Master:	Sally-Anne Huang
Surmaster, St Paul's:	Francis Clough
Head, St Paul's Juniors:	Oliver Snowball
Finance Director:	Steven Grace

Recruitment, Induction and Training of Governors

The existing Memorandum and Articles of Association state that there shall be a minimum of ten and a maximum of 16 Governors. Governors are selected by reference to their eligibility, personal competence and specialist skills which are mapped against the skills profile and needs of the whole Governing Body. On appointment Governors are given an induction pack and attend an induction at the School. During the course of the year further training is made available, and recommendations are made about suitable courses for Governors to attend.

Organisational Management

The Governors are responsible for the strategic direction, oversight and regulatory compliance of the School. The management of the School is delegated to the High Master supported by the Executive Management Team known as the Core Strategy Group. The Governing Body meets at least four times a year. The High Master attends the Governing Body meetings and reports on the management of the School.

The Governing Body has the following sub-committees:

- (a) *Education Committee:* monitors, reports to and advises the Board on the educational strategy of the School and its implementation to include the level and quality of education being provided;
- (b) *Finance Committee:* monitors and reviews all aspects of the School's financial performance, financial management, financial reporting arrangements, budgeting, financial systems and controls. The Committee is also responsible for the School's portfolio of investments, establishing and following the investment policy, making investment decisions, monitoring and oversight of the redevelopment of the School's buildings and managing the upkeep and maintenance of the School's residential property portfolio;
- (c) *Nominations and Remuneration Committee:* oversight of the selection, nomination and appointment of Governors, the High Master and the Finance Director and of recommendations on senior executive remuneration;
- (d) *Public Benefit Committee:* oversight of the development and delivery of open access to St Paul's through bursary provision and programmes of partnership activities; and

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- (e) *Safeguarding Committee*: oversight of child protection and safeguarding matters including resourcing, training and an anonymised review of the School's response to cases.

All committees report to the Governing Body and are subject to terms of reference that outline the committee's remit and any delegated authority. The Chairman of the Governing Body has a right, which he exercises, to attend any committee of the Board. The High Master and senior staff attend committee meetings as required.

Key Management Remuneration

The Nominations and Remuneration Committee has delegated responsibility for determining the remuneration and benefits of the High Master and key management personnel, and takes advice and recommendations on the annual salary reviews or any package changes for the key management personnel, including reviewing appropriate salary benchmark information.

Regulation

The School is regulated by the Department for Education. It is a member of the Independent Schools Council and is inspected by the Independent Schools Inspectorate (ISI).

Registered Office and Advisors

Registered Office:	Lonsdale Road Barnes London SW13 9JT	
Legal:	Veale Wasbrough Vizards Central Court 255 Southampton Buildings Chancery Lane London WC2A 1AL	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 1AL
Auditor:	HaysMac LLP 10 Queen Street Place London EC4R 1AG	
Banking:	National Westminster Bank Plc 111 - 117 Putney High Street Putney London SW15 2LL	
Investment Management:	WIM Asset Management Limited 16 Babmaes Street London SW1Y 6AH	Sarasin & Partners 100 St Paul's Churchyard London EC4M 8BU
Actuaries:	Barnett Waddingham 2 London Wall Place London EC2Y 5AU	XPS Pensions Group Tempus Court, Onslow Street Guildford GU1 4SS
Insurance Broker:	Assured Partners Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP	
Website:	St Paul's School	www.stpaulsschool.org.uk

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of St Paul's School for the purposes of charity and company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records 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 enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- so far as each Governor 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 Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITOR

HaysMac LLP have indicated their willingness to be reappointed as statutory auditor.

The Governors' Report (including the Strategic Report) has been approved by the Board of Governors and signed on their behalf by:



Richard Cassell
Chair of Governors

4 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL

Opinion

We have audited the financial statements of St Paul's School for the year ended 31 August 2025 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of the net movement in funds, including the 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 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 Governors' 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 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the charitable company; or

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 19 the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019), and considered other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities, including the outcomes of inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, using data analytics to focus on higher risk entries; and
- Challenging assumptions and judgements made by management in their accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL (continued)

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.



Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: **11/03/2026**

ST PAUL'S SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2025 £'000	Total 2024 £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	41,394	-	-	41,394	41,301
Ancillary trading income	3	2,266	-	-	2,266	2,294
Other trading activities						
Non-ancillary trading income	4	168	-	-	168	176
Investments						
Investment income		301	257	-	558	477
Bank and other interest		1,724	-	-	1,724	2,492
Voluntary sources						
Donations, legacies and grants	5	644	1,446	125	2,215	2,360
Other income						
Surplus on disposal of fixed assets		18	-	-	18	-
Total income		46,515	1,703	125	48,343	49,100
Expenditure on:						
Raising funds						
Financing costs	8	1,461	-	-	1,461	1,461
Investment management		73	-	-	73	100
Fundraising and development		372	-	-	372	362
Marketing and publicity		832	-	-	832	871
		2,738	-	-	2,738	2,794
Charitable activities						
Education and grant making		44,462	3,576	-	48,038	47,617
Total expenditure	7	47,200	3,576	-	50,776	50,411
Net (expenditure) / income from operations before investment gains and transfers						
		(685)	(1,873)	125	(2,433)	(1,311)
Net gains on investments						
Transfers between funds	10	1,011	448	570	2,029	3,821
		(1,129)	1,440	(311)	-	-
Net (expenditure) / income		(803)	15	384	(404)	2,510
Other recognised gains						
Pension scheme actuarial gains	19	191	-	-	191	307
Net movement in funds		(612)	15	384	(213)	2,817
Reconciliation of funds						
Fund balances at 1 September 2024		115,474	5,786	6,404	127,664	124,847
Fund balances at 31 August 2025	18	114,862	5,801	6,788	127,451	127,664

The attached notes on pages 27 to 45 form an integral part of these financial statements.

All of the School's activities represent continuing operations.

See note 25 for the Statement of Financial Activities for the year ended 31 August 2024.

ST PAUL'S SCHOOL

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	2025 Unrestricted and restricted funds £'000	2024 Unrestricted and restricted funds £'000
Income from:		
Charitable activities		
School fees receivable	41,394	41,301
Ancillary trading income	2,266	2,294
Other trading activities		
Non-ancillary trading income	168	176
Investments		
Investment income	558	477
Bank and other interest	1,724	2,492
Voluntary sources		
Donations, legacies and grants - unrestricted	644	281
Donations, legacies and grants - restricted	1,446	1,441
Other income		
Surplus on disposal of fixed assets	18	-
Total income	48,218	48,462
Expenditure on:		
Raising funds		
Financing costs	1,461	1,461
Investment management	73	100
Fundraising and development	372	362
Marketing and publicity	832	871
	2,738	2,794
Charitable activities		
Education and grant making	48,038	47,617
Total expenditure	50,776	50,411
Net expenditure before investment gains	(2,558)	(1,949)
Net gains on investments	1,459	2,849
Net (expenditure) / income	(1,099)	900

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on page 23 and its presentation is required under the Companies Act 2006.

The attached notes on pages 27 to 45 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	9	133,935	116,370
Investments	10	33,060	28,362
		<u>166,995</u>	<u>144,732</u>
Current assets			
Stock		49	57
Debtors	11	19,621	1,606
Cash at bank and in hand		24,985	49,650
		<u>44,655</u>	<u>51,313</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(28,643)	(11,653)
Net current assets		<u>16,012</u>	<u>39,660</u>
Total assets less current liabilities		<u>183,007</u>	<u>184,392</u>
Creditors: amounts falling due after more than one year	13	(55,493)	(56,663)
Provisions for liabilities and charges	14	(63)	(65)
Net assets excluding pension liability		<u>127,451</u>	<u>127,664</u>
Pension scheme liability	19	-	-
Net assets		<u><u>127,451</u></u>	<u><u>127,664</u></u>
FUNDS			
Endowment funds	18	6,788	6,404
Restricted funds	18	5,801	5,786
Unrestricted funds	18	114,862	115,474
Total funds before pension reserve		<u>127,451</u>	<u>127,664</u>
Pension scheme funding reserve	18	-	-
Total funds		<u><u>127,451</u></u>	<u><u>127,664</u></u>

The financial statements were approved and authorised for issue by the Governors on 4 December 2025 and were signed below on its behalf by:


Richard Cassell
Chair of Governors


Harold Hampson
Chair of Finance Committee

The attached notes on pages 27 to 45 form an integral part of these financial statements.

ST PAUL'S SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025	2024
		£'000	£'000
Cash flows from operations			
Net cash (used in) / provided by operating activities	20	(485)	7,845
Cash flows from investing activities			
Payments for tangible fixed assets	9	(23,919)	(7,622)
Proceeds from sale of tangible fixed assets		18	7
Payments for investments	10	(2,669)	(2,667)
Investment income and bank and other interest received		2,282	2,928
Net cash used in investing activities		(24,288)	(7,354)
Cash flows from financing activities			
New endowments		125	638
Repayment of obligations under hire purchase contracts		(17)	(20)
Net cash provided by financing activities		108	618
Change in cash and cash equivalents in the reporting period		(24,665)	1,109
Cash and cash equivalents at the beginning of the reporting period		49,650	48,541
Cash and cash equivalents at the end of the reporting period	21	24,985	49,650
Analysis of movements in net debt			
		2024 £'000	Cash flows £'000
Cash at bank and in hand		49,650	-
Total cash and cash equivalents		49,650	-
Hire purchase contracts		(17)	17
Private Placement funding falling due after one year		(50,000)	-
Total		(367)	(25,015)

The attached notes on pages 27 to 45 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

Accounting basis

St Paul's School is a Public Benefit Entity. It is a company limited by guarantee registered in England and Wales (company number 06141973 incorporated on 6 March 2007) and a charity registered with the Charity Commission (charity number 1119619 registered on 12 June 2007). Its registered address is Lonsdale Road, Barnes, London, SW13 9JT.

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") – 2nd Edition effective 1 January 2019. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. There are considered to be no material uncertainties regarding the School's going concern status.

The School's wholly owned subsidiary, St Paul's School Enterprises Limited, was incorporated on 29 May 2019 with £1 of issued share capital. The company was dormant until 31 August 2021 and commenced trading on 1 September 2021. Consolidated accounts have not been prepared on the grounds that the activity is immaterial to the group. See note 23 for a summary of the company's results for the year ended 31 August 2025 and 2024.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. 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 affects current and future periods. The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 19.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES (continued)

Fees and similar income

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

Rental and investment 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.

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

For legacies, entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable 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. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include financing, investment management, fundraising and development and marketing and publicity costs.

Grants

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

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Funds

The School has three types of funds:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the School.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES (continued)

Pension schemes

The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates the St Paul's Schools' Non-Teaching Staff Pension Fund. The scheme is a defined benefit scheme in accordance with section 28 of FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate. The scheme entered wind up on 1 May 2024.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to financing costs in the Statement of Financial Activities.
- Pension finance charges arising from similar changes are recognised as expenditure.
- Remeasurement gains and losses are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation. The defined benefit scheme is in a surplus position. However, it is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Details of the scheme assets and liabilities and major assumptions are shown in note 19.

Following the closure of the Non-Teaching Staff defined benefit scheme to new members and also to future accrual with effect from 1 January 2016, all Non-Teaching members of staff, unless they choose to opt out, contribute into a separate defined contribution scheme. Teachers who opt out of the Teachers' Pension Scheme are also eligible to contribute into this scheme. Costs associated with this scheme are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Capitalisation and replacement

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.

Depreciation

Depreciation of assets is provided at rates to write off the cost over their estimated useful lives as follows:

- | | |
|--|----------|
| • School and residential buildings | 50 years |
| • Leasehold improvements | 20 years |
| • School and residential refurbishments | 10 years |
| • School equipment and musical instruments | 10 years |
| • Furniture and fittings | 4 years |
| • Vehicles and boats | 4 years |
| • Computers | 3 years |

Assets held under construction are not depreciated as the assets have not yet been brought into use. On completion the assets will be transferred to buildings and depreciated over their expected useful life.

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at cost. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sale proceeds and opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year-end and their opening carrying value. Realised and unrealised investment gains and losses are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

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, trade and fee debtors, other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and Private Placement funding. Financial liabilities measured at fair value comprise the pension scheme liability.

Stock

Stock representing silver fish, padlocks and kitchen supplies, is stated at the lower of cost and estimated realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash and cash equivalents include cash and deposits with a short term maturity of 12 months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the School becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Where payments are eventually made, they are charged to the provision carried in the balance sheet.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2025 £'000	2024 £'000
Fees receivable consist of:		
School fees	42,251	42,059
Less: total bursaries, grants and allowances	(4,229)	(3,972)
	<u>38,022</u>	<u>38,087</u>
Add: scholarships, grants, etc. received from restricted funds	3,372	3,214
	<u>41,394</u>	<u>41,301</u>
Included within total bursaries, grants and allowances are means-tested bursaries of £3,499,000 paid to 147 pupils (2024: £3,361,000 paid to 138 pupils). 63% (2024: 73%) of these awards were either full fee or higher than 75% of fees.		
3. CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME	2025 £'000	2024 £'000
Fee extras (including School trips)	1,863	1,889
Entrance and registration fees	219	254
Tuck shop and café sales income	165	133
Commissions and other income	19	18
	<u>2,266</u>	<u>2,294</u>
4. OTHER TRADING - NON-ANCILLARY TRADING INCOME	2025 £'000	2024 £'000
Hire of School facilities	46	40
Rental income	122	136
	<u>168</u>	<u>176</u>
5. DONATIONS, LEGACIES AND GRANTS	2025 £'000	2024 £'000
Donations for:		
Bursaries	1,194	1,622
Prizes and other awards	-	3
Rebuilding fund	2	2
Other	608	725
	<u>1,804</u>	<u>2,352</u>
Legacies	411	8
	<u>2,215</u>	<u>2,360</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

6. STAFF COSTS	2025 £'000	2024 £'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	22,664	21,094
Social security costs	2,790	2,506
Pension costs:		
Defined contribution scheme	1,870	730
Defined benefit scheme	195	1,630
Teachers' Pension Scheme	2,300	3,152
Medical insurance	156	125
Consultancy costs	221	241
Contract staff costs	731	764
Recruitment costs	91	105
Redundancy / termination payments	46	59
Other	38	25
	<u>31,102</u>	<u>30,431</u>

None of the Governors received any remuneration or other benefits (2024: none).

Aggregate employee benefits of key management personnel	1,203	1,102
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	2025 Number	2024 Number
The number of employees whose emoluments in the year exceeded £60,000 was:		
£60,000 - £69,999	32	29
£70,000 - £79,999	52	51
£80,000 - £89,999	38	44
£90,000 - £99,999	18	20
£100,000 - £109,999	10	5
£110,000 - £119,999	-	2
£130,000 - £139,999	-	3
£140,000 - £149,999	2	2
£150,000 - £159,999	1	1
£160,000 - £169,999	2	-
£200,000 - £209,999	-	1
£220,000 - £229,999	1	-
£360,000 - £369,999	-	1
£380,000 - £389,999	1	-
	<u>1</u>	<u>-</u>

Of the above staff members 83 (2024: 106) have benefits accruing under defined benefit pension schemes and 85 (2024: 52) have benefits accruing under the defined contribution scheme. Employer's contributions for the defined benefit schemes were £1,816,055 (2024: £2,191,467) and for the defined contribution scheme were £1,261,701 (2024: £1,029,951).

The average number of the School's employees during the year calculated on a full time equivalent basis was 342 (2024: 331) and on a head count basis was 407 (2024: 384).

Full time equivalent basis	2025 Number	2024 Number
Teaching	216	209
Welfare	6	6
Premises	31	31
Support	82	78
Other	7	7
	<u>342</u>	<u>331</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

6. STAFF COSTS (continued)

Head count basis	2025 Number	2024 Number
Teaching	248	226
Welfare	9	9
Premises	36	33
Support	102	106
Other	12	10
	<u>407</u>	<u>384</u>

7. ANALYSIS OF TOTAL EXPENDITURE

2025	Staff costs £'000	Other £'000	Depreciation £'000	Total 2025 £'000
Costs of raising funds				
Financing costs (note 8)	-	1,461	-	1,461
Investment management	-	73	-	73
Fundraising and development	260	112	-	372
Marketing and publicity	611	221	-	832
	<u>871</u>	<u>1,867</u>	<u>-</u>	<u>2,738</u>
Charitable activities				
Education	23,943	4,559	356	28,858
Welfare	417	2,177	161	2,755
Premises	2,498	2,941	3,512	8,951
Support costs and governance	3,373	525	-	3,898
Grants, awards and prizes	-	3,576	-	3,576
	<u>30,231</u>	<u>13,778</u>	<u>4,029</u>	<u>48,038</u>
Total expenditure	<u>31,102</u>	<u>15,645</u>	<u>4,029</u>	<u>50,776</u>

2024	Staff costs £'000	Other £'000	Depreciation £'000	Total 2024 £'000
Costs of raising funds				
Financing costs (note 8)	-	1,461	-	1,461
Investment management	-	100	-	100
Fundraising and development	214	148	-	362
Marketing and publicity	580	291	-	871
	<u>794</u>	<u>2,000</u>	<u>-</u>	<u>2,794</u>
Charitable activities				
Education	22,422	4,343	385	27,150
Welfare	367	2,101	115	2,583
Premises	2,393	3,033	3,461	8,887
Support costs and governance	4,455	747	-	5,202
Grants, awards and prizes	-	3,795	-	3,795
	<u>29,637</u>	<u>14,019</u>	<u>3,961</u>	<u>47,617</u>
Total expenditure	<u>30,431</u>	<u>16,019</u>	<u>3,961</u>	<u>50,411</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

7. ANALYSIS OF TOTAL EXPENDITURE (continued)

Governance costs included in support costs:	2025 £'000	2024 £'000
Auditor's remuneration:		
For audit	42	44
For corporation tax	3	4
Staff costs	79	62
Legal and professional fees	280	528
Other	18	14
	<u>422</u>	<u>652</u>

The School has obtained permission from the Charity Commission to offer a scheme of redress in respect of the historic abuse allegations and ex-gratia payments totalling £2,018 were made during the year ended 31 August 2025 (2024: £Nil). See note 14 for further information.

Two Governors (2024: one) were reimbursed travel, accommodation and other expenses amounting to £293 during the year (2024: £266). Amounts paid directly to third parties on behalf of Governors during the year amounted to £17,614 (2024: £13,619). These expenses consisted of training costs, subscriptions, legal fees, catering costs for Board and sub-committee meetings, including the Governors' away day and entertainment costs on School business.

GRANTS, AWARDS AND PRIZES	2025 £'000	2024 £'000
From restricted and endowed funds		
Bursaries and other awards	3,427	3,275
Prizes and leaving awards	101	486
Rebuilding fund	48	34
	<u>3,576</u>	<u>3,795</u>

8. FINANCING COSTS	2025 £'000	2024 £'000
Private placement financing costs	1,458	1,458
Hire purchase interest	3	3
	<u>1,461</u>	<u>1,461</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

9. TANGIBLE ASSETS	Assets held under construction £'000	Charitable properties £'000	Furniture fittings & Equipment £'000	Vehicles and Boats £'000	Total £'000
Cost					
At 1 September 2024	12,242	125,364	6,409	976	144,991
Additions	22,413	1,323	131	52	23,919
Disposals	-	-	-	(42)	(42)
Adjustment	-	(2,325)	-	-	(2,325)
At 31 August 2025	34,655	124,362	6,540	986	166,543
Depreciation					
At 1 September 2024	-	22,837	4,993	791	28,621
Charge for the year	-	3,440	507	82	4,029
Disposals	-	-	-	(42)	(42)
At 31 August 2025	-	26,277	5,500	831	32,608
Net book value					
At 31 August 2025	34,655	98,085	1,040	155	133,935
At 31 August 2024	12,242	102,527	1,416	185	116,370

As at 31 August 2025, the School has capital commitments of £4,273,485 (2024: £29,240,778) in relation to the School's rebuilding programme.

10. INVESTMENTS	2025 £'000	2024 £'000
Listed investments:		
Valuation at 1 September 2024	28,362	21,874
Additions at cost	2,669	2,667
Net gains on investments	2,029	3,821
Valuation at 31 August 2025	33,060	28,362
Total investments at 31 August 2025	33,060	28,362
Investments comprise:		
Listed investments		
Equities	28,660	24,467
Bonds	1,627	2,076
Property	357	-
Pooled investment vehicles	1,646	1,324
Cash holdings	770	495
Total investments at 31 August 2025	33,060	28,362
Cost of investments	26,095	23,426

Of the total investments of £33,060,000 (2024: £28,362,000), £4,270,000 (2024: £6,965,000) are held in the UK and £28,790,000 (2024: £21,397,000) are held overseas.

The School also has a £1 investment (2024: £1) in its subsidiary undertaking, St Paul's School Enterprises Limited, which was incorporated on 29 May 2019. The company commenced trading on 1 September 2021 and its results for the year ended 31 August 2025 and 2024 are shown in note 23.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

11. DEBTORS	2025 £'000	2024 £'000
Fees	15,797	9
Amounts owed by group undertakings	191	183
Sundry debtors	507	517
Prepayments and accrued income	3,126	897
	<u>19,621</u>	<u>1,606</u>

Fee debtors include £15,741,000 relating to the Autumn term 2025 fees which were billed in August 2025 (2024: £Nil). Prepayments and accrued income include £2,325,000 (2024: £Nil) in respect of the total amount due back to the School under the Capital Goods Scheme as at 31 August 2025 (see also note 9).

12. CREDITORS: due within one year	2025 £'000	2024 £'000
Trade creditors	4,314	2,909
Fees in advance	16,828	4,070
Refundable deposits (note 15)	683	612
Hire purchase contracts (note 15)	-	17
Other taxes and social security costs	2,217	675
Other creditors	287	555
Accruals and deferred income	4,314	2,815
	<u>28,643</u>	<u>11,653</u>

Fees in advance include £13,318,000 relating to the Autumn term 2025 fees which were billed in August 2025 (2024: £Nil).

Deferred income brought forward as at 1 September 2024 was £202,000 (2023: £195,000) and carried forward as at 31 August 2025 was £30,000 (2024: £202,000). The amount released to the Statement of Financial Activities in the year was £202,000 (2024: £195,000).

13. CREDITORS: amounts falling due after more than one year	2025 £'000	2024 £'000
Fees in advance	1,519	2,760
Refundable deposits (note 15)	3,974	3,903
Private Placement funding	50,000	50,000
	<u>55,493</u>	<u>56,663</u>

On 7 June 2017, the School entered into a private placement arrangement with BAE Systems Pension Scheme for £15m of funding at a coupon rate of 2.3% towards the construction costs of Phase 2 of the General Teaching Building. Drawdown of the funds took place in June 2018 and the capital will be repaid over ten equal annual instalments of £1.5m commencing in 2028. On 12 March 2019, the School entered into a second private placement arrangement with The Prudential Insurance Company of America for £35m of funding at a coupon rate of 3.18% towards the construction costs of the next phases of the School masterplan which includes the rebuilding of the Junior School. Drawdown of the funds took place in March 2019 and the capital will be repaid over 14 equal annual instalments of £2.5m commencing in 2039.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2025 £'000	2024 £'000
As at 1 September 2024	65	65
Amounts utilised	(2)	-
As at 31 August 2025	<u>63</u>	<u>65</u>

Provisions for liabilities and charges of £63,000 as at 31 August 2025 (2024: £65,000) relates to the best estimate of legal costs to be incurred subsequent to the year-end in respect of the historic abuse allegations.

15. REFUNDABLE DEPOSITS AND HIRE PURCHASE CONTRACTS

	Refundable deposits		Hire purchase contracts	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
After 5 years	1,663	1,688	-	-
Between 2 to 5 years	1,716	1,620	-	-
Between 1 to 2 years	595	595	-	-
After more than 1 year	3,974	3,903	-	-
Within 1 year	683	612	-	17
	<u>4,657</u>	<u>4,515</u>	<u>-</u>	<u>17</u>

16. OPERATING LEASE COMMITMENTS

Operating leases that are subject to future minimum lease commitments are as follows:

	2025 £'000	2024 £'000
As Lessee:		
Less than 1 year		
Franking machines	9	10
Computers	174	18
Minibuses	28	8
Land and buildings	1	1
Between 1 and 2 years		
Franking machines	9	10
Computers	169	9
Minibuses	28	8
Land and buildings	1	1
Between 2 and 5 years		
Franking machines	20	30
Computers	313	9
Minibuses	42	16
Land and buildings	3	3
Over 5 years		
Land and buildings	752	753
	<u>1,549</u>	<u>876</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

16. OPERATING LEASE COMMITMENTS
(continued)

	2025 £'000	2024 £'000
As Lessor:		
Less than 1 year		
Land and buildings	122	160
Between 1 and 2 years		
Land and buildings	4	122
Between 2 and 5 years		
Land and buildings	-	7
	<u>126</u>	<u>289</u>
Amounts charged / (credited) to Statement of Financial Activities:		
Photocopiers	-	36
Franking machines	10	20
Computers	18	26
Minibuses	21	8
Land and buildings - expenditure	1	1
Land and buildings – income	(95)	(105)
	<u>(95)</u>	<u>(105)</u>

17. ANALYSIS OF NET ASSETS

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

	Tangible fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Long term liabilities, provisions & pension deficit £'000	Total £'000
2025					
Endowment funds	-	7,451	(663)	-	6,788
Restricted funds	-	7,528	(1,727)	-	5,801
Unrestricted funds	133,935	18,081	18,402	(55,556)	114,862
	<u>133,935</u>	<u>33,060</u>	<u>16,012</u>	<u>(55,556)</u>	<u>127,451</u>
2024					
Endowment funds	-	6,766	(362)	-	6,404
Restricted funds	-	6,816	(1,030)	-	5,786
Unrestricted funds	116,370	14,780	41,052	(56,728)	115,474
	<u>116,370</u>	<u>28,362</u>	<u>39,660</u>	<u>(56,728)</u>	<u>127,664</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

18. FUNDS	Balance 1 September 2024 £'034	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2025 £'000
Endowed funds					
Scholarship funds	664	-	-	91	755
Bursary funds	5,358	125	-	169	5,652
Prize funds	382	-	-	(1)	381
	<u>6,404</u>	<u>125</u>	<u>-</u>	<u>259</u>	<u>6,788</u>
Restricted funds					
Bursaries	1,841	1,388	(3,427)	2,367	2,169
Scholarships	175	13	(12)	21	197
Prizes and other funds	2,136	300	(89)	97	2,444
Rebuilding fund	1,634	2	(48)	(597)	991
	<u>5,786</u>	<u>1,703</u>	<u>(3,576)</u>	<u>1,888</u>	<u>5,801</u>
Unrestricted funds					
General reserve	92,038	46,215	(46,951)	(2,639)	88,663
Pension scheme funding reserve	-	-	(191)	191	-
Bursaries and partnerships fund	17,802	211	(43)	129	18,099
Future estate capital fund	5,634	89	(15)	2,392	8,100
	<u>115,474</u>	<u>46,515</u>	<u>(47,200)</u>	<u>73</u>	<u>114,862</u>
Total funds	<u>127,664</u>	<u>48,343</u>	<u>(50,776)</u>	<u>2,220</u>	<u>127,451</u>
COMPARATIVE FIGURES	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2024 £'000
Endowed funds					
Scholarship funds	553	-	-	111	664
Bursary funds	4,397	638	-	323	5,358
Prize funds	343	-	-	39	382
	<u>5,293</u>	<u>638</u>	<u>-</u>	<u>473</u>	<u>6,404</u>
Restricted funds					
Bursaries	2,701	1,181	(3,275)	1,234	1,841
Scholarships	149	13	(13)	26	175
Prizes and other funds	2,135	478	(472)	(5)	2,136
Rebuilding fund	1,669	2	(35)	(2)	1,634
	<u>6,654</u>	<u>1,674</u>	<u>(3,795)</u>	<u>1,253</u>	<u>5,786</u>
Unrestricted funds					
General reserve	97,119	46,504	(46,195)	(5,390)	92,038
Pension scheme funding reserve	-	41	(348)	307	-
Bursaries and partnerships fund	12,607	195	(59)	5,059	17,802
Future estate capital fund	3,174	48	(14)	2,426	5,634
	<u>112,900</u>	<u>46,788</u>	<u>(46,616)</u>	<u>2,402</u>	<u>115,474</u>
Total funds	<u>124,847</u>	<u>49,100</u>	<u>(50,411)</u>	<u>4,128</u>	<u>127,664</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

18. FUNDS (continued)

Endowed funds

Endowed funds are for scholarship, 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. A transfer of £311,000 (2024: £691,000) was made from endowed funds to restricted funds in respect of two expendable endowment funds where it has been agreed with the donor to only maintain the capital value of the funds.

Restricted funds

The bursary and scholarship funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries and scholarships for pupils. Prize funds are for the costs associated with awarding the various prizes. The rebuilding fund was created for building programmes. The transfer from the rebuilding fund to the unrestricted general reserve of £597,000 (2024: £2,000) relates to the use of restricted donations towards the capital expenditure on buildings during the year.

Unrestricted funds

The bursaries and partnerships fund represents funds designated towards bursary awards and partnership work. The Kayton legacy proceeds of £9,206,000 were transferred to the fund during the year ended 31 August 2023. Amounts totalling £260,000 (2024: £210,000) paid to the School under gift aid from St Paul's School Enterprises Limited were also transferred to the fund together with the School's remaining cash surplus for the year ended 31 August 2024 of £875,000 (2023: £3,230,000). A transfer of £1,798,000 (2024: £Nil) was made from the fund to clear down the deficit on the restricted bursary funds. The future estate capital fund represents contributions transferred out of the School's cash surpluses towards the long term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. During the year ended 31 August 2025, a further contribution of £2,173,000 (2024: £2,048,000) was made.

19. PENSIONS

a) Non-Teaching Staff Pension Fund

The School operates a defined benefit scheme in the UK (St Paul's Schools Non-Teaching Staff Pension Fund). Since 1 November 2006, the scheme has been closed to new members and closed to future accrual on 1 January 2016. The scheme entered into a buy-in contract with the insurance provider Just Retirement Limited on 30 April 2024 and the scheme's investment assets were disinvested and transferred into annuity policies. The scheme entered wind up on 1 May 2024 and it is anticipated that the process will be fully completed during the year ended 31 August 2026. Contributions to the scheme for the year ended 31 August 2026 are expected to be £Nil and the School has no further liabilities in respect of this scheme. The disclosures shown below adopt the accounting standard FRS 102. A full actuarial valuation of the scheme was carried out as at 31 August 2020 and has been updated to 31 August 2025 by a qualified independent actuary. The major assumptions used by the actuary were (in nominal terms) as follows:

	2025 %	2024 %
Discount rate	5.80	5.00
Inflation assumption (RPI)	2.80	3.00
Inflation assumption (CPI)	2.50	2.70
Rate of increase in salaries	2.50	2.70
5% LPI pension increase assumption	2.50	2.60
2.5% LPI pension increase assumption	1.90	1.90
Assumed life expectancies on retirement at age 60 are:		
Retiring today	Males 24.7	24.7
	Females 28.5	28.5
Retiring in 20 years' time	Males 26.3	26.2
	Females 29.7	29.6

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

19. PENSIONS (continued)

The assets in the scheme and their values were:

	2025 £'000	2024 £'000
Cash and other assets	358	506
Secured pensions	9,465	10,158
Insurance income less benefits paid	(38)	-
Fair value of scheme assets	9,785	10,664

The actual return on assets over the period was

(143)	450
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	2025 £'000	2024 £'000
The amounts recognised in the balance sheet are as follows:		
Present value of obligations	(9,687)	(10,572)
Fair value of scheme assets	9,785	10,664
Surplus in funded scheme	98	92
Adjustment for unrecognised asset	(98)	(92)
Net surplus in scheme	-	-

	2025 £'000	2024 £'000
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Benefit obligation at beginning of year	10,572	10,407
Interest cost	515	536
Actuarial (gains) / losses	(855)	246
Benefits paid (excluding expenses)	(545)	(617)
Benefit obligation at end of year	9,687	10,572

	2025 £'000	2024 £'000
Reconciliation of opening and closing balances of the fair value of scheme assets		
Fair value of scheme assets at beginning of year	10,664	11,179
Interest income on scheme assets	515	577
Return on assets (excluding interest income)	(658)	(127)
Contributions by employers	-	1,193
Benefits paid (excluding expenses)	(545)	(617)
Scheme administrative cost (i.e. expenses paid)	(191)	(257)
Settlements	-	(1,284)
Fair value of scheme assets at end of year	9,785	10,664

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

19. PENSIONS (continued)

	2025 £'000	2024 £'000
Amounts recognised in the Statement of Financial Activities		
Service cost – including current and past service costs, settlements	-	1,284
Service cost – administrative cost (i.e. expenses paid)	191	257
Net interest on the net defined benefit liability	-	(41)
Total amount charged to the Statement of Financial Activities	191	1,500
Remeasurements of the net defined benefit liability to be shown in SOFA	2025 £'000	2024 £'000
Actuarial (gains) / losses on the liabilities	(855)	246
Return on assets (excluding interest income)	658	127
Surplus on scheme that is not recoverable	6	(680)
Total remeasurement of the net defined benefit liability to be shown in SOFA	(191)	(307)

The surplus linked to the defined benefit scheme is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Information about the type of scheme and funding policy

The scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to members' final salary at the earlier of the date of leaving employment and the date the scheme entered wind up (1 May 2024), and their length of service up to the date on which the scheme closed to future accrual (1 January 2016).

The scheme is a registered scheme under UK legislation.

The scheme was established from 1 June 1989 under trust and is governed by the scheme's definitive trust deed and rules dated 5 July 2001. The trustees are responsible for the operation and governance of the scheme, including making decisions regarding the scheme's funding and investment strategy. The trustees have insured all benefits payable from the scheme with an insurer.

The scheme does not hold any ordinary shares issued or property occupied by St Paul's Schools.

Information about the most recent actuarial valuation of the defined benefit obligation at the accounting date

The most recently completed formal actuarial valuation of the scheme was at 31 August 2020.

The value of the liabilities has been estimated by updating the results of the actuarial valuation as at 31 August 2020 to allow for the passage of time, actual inflation experience, benefits paid out of the scheme and changes in actuarial assumptions over the period from 31 August 2020 to 31 August 2025.

Such an approach is normal for the purpose of accounting disclosures. It is not expected that these projections will be materially different from the summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the scheme at the accounting date and those included in the disclosures.

b) Teaching Staff 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 £2,300,000 (2024: £3,152,000) and at the year-end £Nil (2024: £Nil) was accrued in respect of contributions to this scheme.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

19. PENSIONS (continued)

b) Teaching Staff Pension Scheme (continued)

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 2020 and the Valuation Report was published in October 2023. The Valuation Report shows notional assets of £222.2bn and liabilities of £262bn, resulting in a scheme deficit of £39.8bn.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08%, giving a total employer contribution rate of 28.68%.

c) Defined Contribution Pension Scheme

The School pays into a defined contribution scheme for teaching and non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £1,870,000 (2024: £730,000). There were contributions outstanding at the year-end of £Nil (2024: £169,000).

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2025 £'000	2024 £'000
Net (expenditure) / income	(404)	2,510
Elimination of non-operating cash flows:		
Dividend income	(558)	(477)
Interest receivable	(1,724)	(2,451)
Endowment donations	(125)	(638)
Defined benefit pension scheme adjustments	191	307
Depreciation charge	4,029	3,961
Gains on investments	(2,029)	(3,821)
Surpluses / (losses) on disposal of tangible fixed assets	(18)	222
Decrease in stock	8	39
(Increase) / decrease in debtors	(15,690)	554
Increase in creditors (excluding hire purchase and refundable deposits)	15,695	7,464
Decrease in provisions	(2)	-
Increase in refundable deposits	142	175
Net cash (outflow) / inflow from operations	<u>(485)</u>	<u>7,845</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £'000	2024 £'000
Cash in hand and instant access bank accounts	1,824	2,993
Notice and fixed term deposit accounts	23,161	46,657
	<u>24,985</u>	<u>49,650</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

The School paid rent of £1,000 (2024: £1,000) to St Paul's Schools Foundation during the year.

Donations received from Governors without conditions during the year ended 31 August 2025 totalled £47,925 (2024: £65,963).

Veryan Exelby is a Governor of the School. She is a partner at Farrer & Co who provide legal services to the School. For the year ended 31 August 2025, total legal fees incurred for services provided by Farrer & Co were £1,997 (2024: £62,546). As at 31 August 2025, the amount due to Farrer & Co was £870 (2024: £2,018).

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of the School. The Directors of the company include Harold Hampson and Rupert Tate who are Governors of the School. During the year ended 31 August 2025, total costs of £142,696 (2024: £131,722) were charged by the School to the company under the Shared Resources Agreement between the two entities. These costs represented licence fees, a share of overhead costs (utilities, cleaning, security, telephone etc.) and salary costs. There were also further costs of £48,722 (2024: £51,603) paid by the School on behalf of the company. The balance due from the company to the School as at 31 August 2025 was £191,418 (2024: £183,325).

There are no other related party transactions for the years ended 31 August 2025 or 2024.

23. SUBSIDIARY UNDERTAKING

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of St Paul's School and is registered in England and Wales, company number 12021201. It is a company limited by share capital. The results of the company for the year ended 31 August 2025 were as follows:

	2025 £'000	2024 £'000
Turnover from continuing operations	381	435
Direct costs	(171)	(195)
	210	240
Administrative expenses	(4)	(5)
Operating profit	206	235
Gift aid payable to St Paul's School	(260)	(210)
	(54)	25
Profit brought forward	60	35
Retained in the subsidiary	6	60

At 31 August 2025 the company had net assets of £6,000 (2024: £60,000).

24. POST BALANCE SHEET EVENTS

On 1 January 2026, the membership of Shrewsbury House School Trust Limited (registered company number 01411417, registered charity number 277324) and Durston House School Educational Trust Limited (registered company number 01947995, registered charity number 294670) will transfer to the School. This transfer of membership will be effected through an amendment to the governing documents of both entities via a change of control agreement, meaning that both entities will become part of the St Paul's School Group. This is a non-adjusting post balance sheet event.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2025

25. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total funds £'000
Income and endowments from:				
Charitable activities				
School fees receivable	41,301	-	-	41,301
Ancillary trading income	2,294	-	-	2,294
Other trading activities				
Non-ancillary trading income	176	-	-	176
Investments				
Investment income	244	233	-	477
Bank and other interest	2,492	-	-	2,492
Voluntary sources				
Donations and legacies	281	1,441	638	2,360
Total income	46,788	1,674	638	49,100
Expenditure on:				
Raising funds				
Financing costs	1,461	-	-	1,461
Investment management	100	-	-	100
Fundraising and development	362	-	-	362
Marketing and publicity	871	-	-	871
	2,794	-	-	2,794
Charitable activities				
Education and grant making	43,822	3,795	-	47,617
Total expenditure	46,616	3,795	-	50,411
Net income / (expenditure) from operations before investment gains and transfers	172	(2,121)	638	(1,311)
Net gains on investments	1,997	852	972	3,821
Transfers between funds	98	401	(499)	-
Net income / (expenditure)	2,267	(868)	1,111	2,510
Other recognised losses				
Pension scheme actuarial gains	307	-	-	307
Net movement in funds	2,574	(868)	1,111	2,817
Fund balances at 1 September 2023	112,900	6,654	5,293	124,847
Fund balances at 31 August 2024	115,474	5,786	6,404	127,664

Accounts

ST PAUL'S SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

Registered Company Number: 06141973
Registered Charity Number: 1119619

ST PAUL'S SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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I am pleased to report that this has been a year in which the School has achieved continuing incremental increases in academic and sporting success from a very high starting point.

On the academic front, our pupils have achieved record success at A Level with 10% more A* results than last year, 30% achieving straight A* grades. Similarly the School's GCSE results reflected 10% more grade 9s and stronger results across all subjects than last year. Pupil achievement for Art was particularly commendable: at A Level, two pupils were recognised as amongst the highest performers in the country in Art and Design, and at GCSE four pupils commended as amongst the highest performers nationally for Art. A further two pupils were ranked amongst the highest performers in the country for Further Mathematics and one pupil was the top pupil nationally for Physics. Pupils have represented the School in the finals of a variety of Olympiads, including Astrophysics and Chemistry to Computing and Linguistics; and five pupils secured invitations to the final of the Oxford University Computing Challenge. The real achievement for the School is to achieve these results at the same time as maintaining great success across a range of co-curricular activities.

In one of their most successful years on record, the 1st VIII won the 'Quadruple' with victories in the Head of the Charles, the School's Head, the National School's Regatta and the Princess Elizabeth Challenge Cup. In Rugby, the U14 Sevens squad reached the final of the Rosslyn Park National Sevens tournament. In Engineering, Firefly Racing won the Ford International Engineering Award at the Greenpower International Final and secured a podium win and a sustainability award at the Lotus Test Track Hethel, and the Fifth Form won the School's first LEGO league trophy. The School celebrated success at the annual Young Enterprise showpiece, with St Paul's teams winning awards for best product category, best customer service, most innovative product and best pitch. It is perhaps worth reflecting on the extraordinary range of cultural, athletic and co-curricular achievement in a school given that pupils are admitted on academic ability as a clear priority.

Last year I noted the work on School values across the entire School, which work continues through the ongoing success of the house system, well established enhanced PSHE tuition and a continuing focus on the School as an integral part of the wider community in our area of London. The School continues to lay a significant emphasis on its partnership work, deepening relationships with partner schools. In the 2023-24 academic year, SPS worked with 82 partner schools and reached 4,411 pupils. 7,523 staff hours were spent on partnership work, L8th pupils gave 1,600 hours for volunteering and 6th Form pupils gave 348 post GCSE volunteering hours. Feedback from staff and pupils is that this work is enriching for them. This summer, we included an additional residential school - the inaugural space school in partnership with the Mullard Space Science Laboratory (MSSL) at UCL. This meant that nearly 120 Y10 pupils accessed one of the three summer schools. We also worked closely with three multi academy trusts (MATs) to engage students from areas of high deprivation across England. The three MATs (Star, E-ACT and Lift) provided 60% of the places offered on the summer schools with the rest filled with students from an open call.

The connections between our School and St Paul's Girls' School continue to increase across all areas of co-curricular activities and the majority of pupils at our School now have contact with counterparts at the Girls' School. We are proud to be part of the same foundation as our sister school under the benign and supportive umbrella of the Mercers' Company working together under our new Memorandum of Understanding framework, established formally in January 2024.

This year has seen great progress on the rebuilding of the Junior School, the contours of which are very visible as you enter the School. At the risk of tempting providence, we still hope that the construction will be completed on time for next calendar year (and close to budget). I am sure that the Junior School pupils will be pleased to see their new buildings available for use with their improved facilities but I am very pleased to say that, as a result of the efforts of our Headmaster and the rest of the team, the work of the Junior School has faced very little disruption.

The governors and School leadership have been wrestling with the financial consequences of the imposition of VAT on school fees and the burden that this places on our parents. We are committed to working to minimise and ease this financial strain to the greatest extent possible and last year saw a significant amount of work preparing for this so that, when the announcement was made in the summer, we were ready to announce one of the lower increases in the independent school sector and able to give significant advance warning to our parents. Our preparation for straightened budgets led the governors to initiate a consultation with teaching staff on changes to the teachers' pension arrangements with a view to constraining future pension costs for the School while protecting the pension position of our teachers to the greatest extent possible. This process has now concluded successfully and I would like to thank the teachers who participated in the consultation process.

ST PAUL'S SCHOOL

CHAIR OF GOVERNING BODY'S STATEMENT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

The result of this and other initiatives during this past year is to try to position the School in as strong a position as possible to mitigate the further cost pressures as the net cost of VAT to the School increases in coming years. We are committed to trying to maximise access to the School for pupils and potential pupils and to trying to ensure that as many as possible of our existing pupils can complete their education at our School. We remain committed to our bursary provision, based around voluntary support, as well as our partnership provision.

As always, the achievements of the past year have rested on the leadership and hard work of our High Master and senior leaders, as well as the continuing commitment of the teaching and support staff to the success of the School. The governors are very aware that all staff regularly go that extra mile for the pupils with good grace and enthusiasm. It is the extra effort that makes the difference between a good school and great school.



Richard Cassell
Chair of Governors

4 December 2024

STRATEGIC REPORT

OBJECTS, AIMS AND OBJECTIVES

Charitable 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; and
- To pursue the objects of the School by running a boys' school and only educate members of the opposite sex with the prior written consent of, and subject to, any restriction imposed by the Mercers' Company.

Aims and Intended Impact

The School has a strong academic tradition which it is committed to maintaining. The School aims to provide an excellent all-round education for able boys, which includes scholarship, breadth and balance in the curriculum, the highest standards of pupil welfare and a wide programme of varied sporting, artistic and extra-curricular activities.

In the furtherance of these aims the Governors, as the charity trustees, confirm that they have complied with the duty in Part 2(17) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit.

Aims of the School

- To provide an outstanding intellectual, spiritual and physical education, combining tradition with the best of the present, which prepares boys for their future.
- To honour John Colet's founding commitment that St Paul's is open to academically eligible boys, regardless of their economic or social circumstance.
- To foster a culture of scholarship, and to develop a spirit of enquiry and curiosity, through inspirational and responsive teaching.
- To provide a structure of individual and pastoral care that promotes a boy's independence, whilst fostering respect, kindness and service.
- To develop and maintain the School's facilities in order to ensure that the physical environment of St Paul's sustains the excellence of its education.
- To build substantive links with the local community through Pauline voluntary service, partnership programmes and the sharing of facilities.

Objectives to Achieve the Aims for the Year

The Governors' three to five-year objectives and performance against them are shown below. These are shown under the three pillars of Education, Public Benefit and Finance and it is shown where some objectives relate to more than one pillar.

Education, Public Benefit and Finance

1. Grow collaboration between SPS and SPJ in order to build the 7 – 18 experience.
2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms for sharing this more widely.
3. Determine the future of boarding at the School.

Education and Finance

4. Determine a clear framework for employees to be recruited, managed, developed and supported as needed for the future.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

Education

5. Continue the growth of collaboration with SPGS.
6. Complete and implement the curriculum review.
7. Ensure higher education advice and support remains at a high standard and Paulines continue to access their first-choice institutions.
8. Continue to improve and better define the ways in which a St Paul's education attends to the broader social and moral development of our pupils, including better inculcating our School values and 'character' into the curriculum and promoting a concern for social justice.
9. Build upon year one of the new House system, seeking to refine it, and develop its contribution to the School pastoral culture.
10. Ongoing review and development of the SPS co-curricular provision through the completion and implementation of the Sports and Pupil Participation Reviews.

Public Benefit

11. Ensure that our admissions system can identify and attract potential Paulines from all areas of society.
12. Increase public benefit work with the West London Partnership, primary schools and others.
13. Establish the associated costs of the public benefit work once agreed and develop a fundraising campaign to deliver funds if needed. This will require strong community building and growth of alumni network activity.

Finance

14. Establish a financial strategy that considers budgetary process and addresses threats to the sector.
15. Fully establish initiatives for commercial income.
16. Establish an estate plan for the future.

Progress has been made on all of the Governors' three to five-year objectives during the year ended 31 August 2024 although a number are carried forward into 2024/25 (see 'Future Plans' section of this report). Some of the key outcomes and achievements are highlighted below:

- A Key Stage 3 working group has been established to determine curriculum and transfer between SPJ and SPS and firm decisions have been made about lesson length at both schools.
- The School won the 2023 Boy's School of the Year Award.
- A new Boarding staffing model has been established for September 2025 and a working group established to develop a business case for a new boarding house.
- The Teachers' Pension Scheme consultation process has been successfully completed to manage future risk with new plans clear to current and future staff. A new teacher pay spine was implemented in September 2024.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

- A formal memorandum of understanding with SPGS was signed by the Governing Body in January 2024.
- A new GCSE model was launched, shared and implemented ready for September 2024.
- A new Head of US Admissions has been successfully embedded and the ratio of applicants to offers at Oxford and Cambridge universities has improved.
- A Schools Inclusion Alliance has been successfully re-established and there is now a dedicated Diversity, Equality and Inclusion section on the School's website.
- A new Head of Bursaries has been appointed and is well established with some recommendations already implemented.
- 10 teachers have been working in various West London Partnership schools and local primaries each week. We have also seconded the equivalent of three full time teachers to work in partner schools.
- Budgets have been brought under greater control through the review of the pension arrangements and teacher pay spine. A working group has also been established to control fee increases for 2024/25 with the introduction of VAT on independent school fees in January 2025.
- Commercial income targets for 2023/24 have been significantly exceeded.
- Construction work has begun on the new Junior School and is proceeding as planned.

Objectives 9 (House system), 10 (review and development of the SPS co-curricular provision) and 13 (public benefit work and fundraising campaign) have been fully achieved and have therefore not been carried forward to 2024/25.

ACTIVITIES

Review of Achievements and Performance for the Year

In addition to the specific aims and objectives for the year, below are some key outcomes in relation to the operational (educational) performance of the School.

Operational Performance of the School

2024 was an outstanding year for A Levels and GCSEs, and a marked improvement on (pre-Covid) 2019 and last year. At A Level, 61% of grades awarded were A*, 90% were A* or A and 98% were A* to B. It is worth highlighting that there were 10% more A*s than last year and in 2019. At GCSE and IGCSE, 73% of grades awarded were Grade 9 and 92% were Grade 8 or 9. The median average score was 8.72 which translates as the average Pauline achieving roughly all 9s and three 8s. Of Paulines heading to university in 2024, 45% went to universities ranked in the world top 20. 97% of UK bound pupils went to a Russell Group university and 47 took up places at Oxford or Cambridge.

Applications to the School at the main entry points of 7+, 11+, 13+ and 16+ remain very high, with real growth in interest at 16+. During the 2023/24 academic year, 138 pupils received bursary awards – around 9.2% of the School – with 101 being awarded more than 75% of fees. During the 2023/24 academic year, pupils elected to focus on local charities, including a new charity partner (Man & Boy) as well as to continue their long-term partnership with Beyond Ourselves in Zambia. The last non-uniform day collection of the year was dedicated to fundraising for the bursary programme. We have also continued to focus on partnership work with local state schools, including providing the equivalent of three full-time teachers within the maintained sector. Our collaboration with St Mary's Ukrainian School also remains extremely strong.

During this year, St Paul's was awarded Independent Boy's School of the Year and achieved excellent success in sports and co-curricular activities. In the spring term 2024, the U14 Rugby Sevens squad went to the Rosslyn Park National Sevens tournament where they beat stiff competition to face Millfield in the final. They lost a desperately close match on conversions as both schools scored three tries each. Firefly Racing won the Ford International Engineering Award at the Greenpower International Final in October 2023. The team wowed the judges with the projects they have worked on this year, from rack

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Operational Performance of the School (continued)

and pinon steering systems to full working CAN Bus and live telemetry being beamed to the data centre. This is now the third time the team has won the Engineering championship and the second year in a row.

Rowing remains outstanding. At the Schools' Head of the River, St Paul's crews won one silver and three gold medals, setting three new course records in the process. The aggregate time for the 1st VIII, 2nd VIII and J16As was good enough to win the Thames Trophy for fastest school by 46 seconds from KCS Wimbledon. Meanwhile, the J15s (5th Form), racing at Dorney Lake, won three golds. At the National Schools' Regatta we swept the Senior Categories with the 1st VIII, 2nd VIII and 3rd VIII all winning gold medals. The 2nd VIII also went on to qualify for Henley in the Universities event. In one of their most successful years on record, the 1st VIII won the 'Quadruple', with victories in The 'Head of the Charles', in Boston, The Schools' Head, The National Schools' Regatta and The Princess Elizabeth Challenge Cup at Henley. This is only the third time this has been done and St Paul's is the only school to have done this twice. Five of the 1st VIII crew were subsequently selected to represent Great Britain at the U19 World Championship.

In terms of the site, the build for the new Junior School is well underway and due to be completed in the winter of 2025.

Outstanding Achievements 2023/24

For a full list of outstanding pupil achievements for the 2023/24 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

Principal Activities of the Year (including Public Benefit)

The total number of pupils at the School was 1,499 of whom 509 were at St Paul's Juniors and 990 at St Paul's (SPS). Of the total number, 138 (2023: 143) pupils were assisted with means tested bursaries. 73% (2023: 66%) of these awards were either full fee or higher than 75% of fees compared to 49 bursaries in total and 45% at the same level in 2015-16. The total means-tested bursaries for the year ended 31 August 2024 were £3,361,000 (2023: £3,205,000) representing 8.0% (2023: 8.1%) of gross School fees. Widening access to the School, through increased bursary support as necessary, remains a priority and, for the 2024/25 academic year, there are currently 139 pupils being assisted with means tested bursaries, with 68% of these awards being either full fee or higher than 75% of fees. The School's bursary awards, in addition to the main School fee, cover educational trips which form part of the curriculum, bus transport, iPads (where applicable), music tuition fees (where applicable), examination fees, books and School uniform.

Charitable Activities and Partnerships

Charity Partnerships

The St Paul's Charity Committee (made up of staff, parents and pupils), set up in June 2019, alongside the Pauls4All L8th student charity committee, have worked hard to fund raise for and increase awareness about our chosen local charities (City Harvest, (Friends of) Barnes Common, London Sports Trust and Castelnau Community Centre), and international charity (Beyond Ourselves).

The SPS Pauls4All Charity Committee for 2023-24 led a series of campaigns which were aimed at educating the School community about the charities we support, including panel discussions and talks during Pauls4All week and the third whole Senior School charity walk. Mufti days were vital in relaying this message, and it was heart-warming to see the whole community respond by giving generously.

The total raised by students across SPS/SPJ during the 2023-24 academic year for partner charities was approximately £46,000.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

School Partnerships

The School employs a full time Assistant Director of Partnerships and Service responsible for community relations and developing academic and sporting partnerships as well as promoting the use of School facilities within the local community. An overview of existing programmes is shown below. Over 4,000 state school pupils benefit.

Selected Local School Partnerships 2023/24 (state school pupil numbers in brackets where available)

Academic Partnerships	Community/Sports Partnerships
Chemistry – Year 10 – 4 week Saturday programme (19)	Capsize Drills for local rowing clubs – 4 Clubs
Oxbridge preparation for Year 12/13 (100)	over 120 participants (throughout year)
Residential Material Science School (30)	Lowther School weekly swimming – 50 pupils
Residential Particle Physics School in partnership with	every week (term time)
Queen Mary's University (33)	Westside Basketball Club (300)
Space School in partnership with Mullards UCL (33)	BCLF primary school programme (500+)
Latin Cohorts preparing for GCSE (3 year groups, Y9-11)	World Cup Day Football June 2024 (80)
(58)	SPJ – Richmond Borough Sports Day support
Economics Trading Day & Entrepreneurship (225)	Regular fixtures with Fulham Boys and other
Biology – 3 week Saturday Programme (21)	WLP schools (c. 200)
Physics Year 12 & 10 - 4 week Saturday (25)	Gymrun in 3 primary schools (270)
Physics Year 10 2 weeks - how to build a Universe (24)	Other regular primary volunteering (270)
First Medics Masterclasses – pupils applying to study	St Mary's Ukraine School links (200)
medicine (39)	FUEL holiday camps for children on free school
NPL lectures (394)	meals
Humanities Conference (77)	Fulham Reach summer holiday camp
STEM Revision GCSE & A Level (4 days Easter	SPJ Football tournaments
holidays) (91)	NHS Sports Day
Primary Professors (120)	Walking Football
Primary Latin (24)	
Primary Off-Site Masterclasses (430)	
Numbers Nest – Colet Club	

Most of the above programmes take place at St Paul's, are run by SPS/SPJ staff or volunteers and take place during term time as well as after school, at the weekend and during school holidays. Other major programmes, some in addition to the table of activities above, are highlighted below:

Colet Mentoring /SPS Online: The Colet Mentoring programme continues to be a popular choice for SPS pupils to volunteer. The mobile app, developed by two old Paulines, Phil and Dom Kwok, has enabled us to create a flexible volunteering programme for our pupils and partner schools' volunteers to connect with students not geographically close to us. Furthermore, it has allowed younger SPS pupils to get a taste of volunteering. For example, around 40 of the 4th and 5th Form pupils spent time during their lunch breaks supporting UK primary school students, Y9 and Y10 secondary school students in Somaliland and Y9s in Zambia in Maths, illustrating how SPS Partnerships works locally and globally. It is also a fantastic example of the old Paulines' work enriching the wider education of the current Paulines, showcasing how they continue to put the education they have received in service of others. We are continuing to explore linking this to more SPS content via a primary school outreach programme (Barnes' Numbers Nest) and eventually SPS Online.

West London Partnership: As part of the School's partnership strategy, this local private-state partnership was established formally in May/June 2020 with five independent schools and five local state schools. There are now four independent schools including SPS and SPGS and five state schools although the structure is being reviewed. This partnership was established with the intent of fostering mutual growth and learning. Within this context, the Start-it Entrepreneurship programme was

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

seamlessly integrated, featuring impactful events tailored to various year groups (Year 8 to 12) and even extending to alumni. This programme has become an integral facet of the partnership, augmenting existing collaborative and outreach initiatives. A notable recent achievement includes the hosting of the Start-It Sustainable Entrepreneurship Course. Aimed at Year 11 pupils from our West London Partnership Schools, this course attracted the participation of over 200 enthusiastic individuals from nine different schools.

St Paul's Teachers in Partner Schools: During the 2023/24 academic year, 10 teachers (the equivalent of three full timetables) spent regular time in West London Partnership state schools or local primary schools, teaching some pupils (e.g. Maths masterclasses / Oxbridge preparation) but also supporting curriculum development and sharing best practice around teaching and learning in their subjects. Keri Cloete was also seconded for two terms to the Senior Leadership Team at Fulham Boys' School.

Primary Professors: During the course of the year, approximately 120 Y5 pupils from 30 local primaries have taken part in a range of academic enrichment lessons from STEM to Entrepreneurship and Forest School. Around 16 Y12 pupils from SPS and SPGS volunteer on the programme and Y5s are given access to Colet Mentoring as part of the programme. Last year saw the introduction of lunchtime 'Colet Clubs' in six of our local primary schools. The club is a stretch and challenge maths club for pupils in Years 5 and 6. The children complete the activity set on the Number Nest page of the St Paul's website (at their own school) and connect with a mentor at St Paul's through Colet Mentoring if they require support. These children were then invited into St Paul's for the first 'Colet Club Maths Challenge Event' in June 2024.

STEM Summer Schools: Three residential Summer STEM Boarding Schools on Particle Physics (in partnership with Queen Mary's University London), Material Science (in partnership with the Institute of Materials, Minerals and Mining and Discover Materials) and Space School (in partnership with the Mullard Space Science Laboratory at UCL) took place involving 96 Y10 students from around the country. Over 80% of the students on the Summer Schools attend schools above the national average of free school meal students with a weighted average of 42.3%, 15.2% above the national average.

Use of School Facilities by the Wider Community: We supported the Barnes Festival, Stoneleigh Youth Orchestra, Putney and Wimbledon Brass Band, Amber Trust and Okatar Kraus Music Trust with rehearsal space and use of the Wathen Hall building to perform their concerts. We supported Cardinal Vaughn School with the Wathen Hall to deliver their end of year performance for parents. West London Free School used the Dorfman Theatre for rehearsals for their end of year production, filling the theatre on two consecutive nights. Sporting clubs are run by both SPS staff and local volunteers, and offer young people a range of activities throughout the year. The School also lets out its facilities free of charge to local primary and secondary schools and charities, including Westside Basketball and Barnes Childrens' Literary Festival. Many local sports clubs also make use of our excellent sports facilities. Regular users are Barnes Swimming Club, Penguins Water Polo Club and Westside Basketball Club. New organisations we worked with this year, providing them with access to our facilities over the summer holiday, include Fulham Reach Rowing Club who collaborated with Queens Tennis Club and Three Pillars Basketball Club to deliver 'on land' skills sessions. We provided Chelsea Football Club Foundation access to our 3G pitch twice a week to provide 'non scouting' free football sessions for the local community. In partnership with Westside Basketball Club, we piloted FUEL camps during the Christmas, Easter and Summer holidays working with local primary schools to identify pupils on free school meals.

Volunteering

All L8th pupils volunteer in the Autumn and Spring Terms, usually with one of our partner schools or charities – an initiative linked with the PSHE and General Studies curriculum. Pupils may choose to continue during the Summer Term and all U8th pupils are allowed to choose volunteering as a games half option. In addition, a selection of volunteering opportunities are made available to the 6th Form once they have completed their GCSEs, with 80+ students volunteering with our charity partners and 18 6th Form pupils visiting Zambia as part of the Pauls4All Beyond Ourselves trip. Throughout the School, there are also opportunities for all year groups to volunteer online via Colet Mentoring, our peer-to-peer learning app, where student

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

volunteers are able to mentor other students through academic challenges they might have. Alongside this, most 5th Form pupils regularly volunteer for their Duke of Edinburgh Award.

Alumni Activities

The School maintains contact with previous pupils mainly through The Old Pauline Club, which is independent but closely associated with the School. A number of social events are held during the year themed around professional interest groups or year of attendance. Current pupils and staff are invited to a number of these events.

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School's energy usage and emissions for the year ended 31 August 2024, as prepared by an independent consultant, were as follows:

	2024	2023
UK energy use in kWh	5,269,629	5,976,203
Associated Greenhouse Gas emissions in Tonnes CO ₂	1,016	1,150
Intensity ratio (kilogram of CO ₂ per meter squared of gross internal area)	31.29	35.44

UK energy use covers all of the School's educational and operational activities. Associated Greenhouse Gas emissions have been calculated in accordance with the UK Government 2024 GHG conversion factors.

During the reporting year, the School has undertaken the following actions to improve its energy efficiency:

- Continued with the second phase of the Building Management System upgrade. The new system supports energy monitoring and metering whilst also providing control over Heating, Ventilation and Air Conditioning (HVAC) systems to maximise efficiency.
- Removed one of the electricity meters following the completion of the Old Substation rerouting project.
- Purchased three new electric vehicles for the maintenance and grounds teams to enhance sustainability efforts.
- Achieved bronze accreditation from the Transport for London Stars programme.
- Introduced the Green Commute Initiative cycle scheme, complementing the existing cycle to work scheme.
- Installed a Plate Heat Exchanger in the swimming pool with an expected return on investment in approximately 18 months.
- Made significant progress in the upgrading to LED lighting, with over 250 fittings replaced, including 70% of the external lighting.

FUTURE PLANS

Our vision is to nurture a generation of Paulines that will make a positive contribution to the world. As the country's top academic school for boys, we care about exam results, but our real motivator is inspiring joy in learning and cultivating deep scholarship. We focus on bringing together leading experts in raising young men and thinking deeply about what that entails; character development and rich opportunities for growth within and beyond the classroom. It is our belief that by building integrity and providing opportunities for service, we will encourage our pupils to lead socially responsible lives. Our three pillars of Scholarship, Opportunity and Character are the foundation of all that we do and we actively focus on five core character traits: Respect, Kindness, Humility, Integrity and Resilience.

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

Three to five-year objectives were approved by the Governing Body from the 2023/24 financial year, to be considered on a rolling basis. For 2024/25, rolling objectives that are ongoing are identified and have had minor updates where necessary. New objectives are listed in a separate section. There is no priority order assigned to the objectives.

Ongoing / Further Developed Objectives From 2023/24

1. Grow collaboration between SPS and SPJ in order to build the 7-18 experience, particularly through the Key Stage 3 curriculum and transfer into the senior school.
2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms for sharing this more widely, producing new marketing materials and working with the new team in Admissions.
3. Continue to determine the future of Boarding at the School, working through the boarding review and plans for a new house, ensuring best practice and a focus on pupil well-being.
4. Continue to establish a clear framework for all employees (support teams as well as teachers) to be recruited, managed, developed and supported as needed for the future.
5. Continue the growth of collaboration with SPGS, cementing the Memorandum of Understanding and preparing for the arrival of the new High Mistress.
6. Complete and implement the curriculum review – preparing thoroughly for the proposed changes in SPS for September 2025.
7. Ensure that Paulines get individualised support and comprehensive opportunities within the changing global higher education and careers landscape to achieve a place at the institution that best reflects their future goals. This will include embedding the new Director of Careers and Universities.
8. Continue to improve and better design the ways in which a St Paul's Education attends to the broader social and moral development of our pupils, including better inculcating our School values and 'character' into the curriculum and promoting a concern for social justice.
9. Ensure that our admissions system can identify potential Paulines from all areas of society.
10. Increase public benefit work with the West London Partnership and others.
11. Continue to develop a financial strategy that informs budgetary process and addresses threats to the sector.
12. Continue to build upon initiatives for commercial income to support the wider work of the School.
13. Refresh the site masterplan in order to establish effective estate planning for the future.

New Objectives For 2024/25

1. Embed the new Designated Safeguarding Lead and other safeguarding roles to ensure that best practice in safeguarding – including on line safety – is met in all areas of the School at all times.
2. Embed the new team into Admissions successfully, ensuring continuity of relationships with feeder schools.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

3. Successfully implement the Shaping our Future: Next Steps campaign.
4. Respond appropriately to any financial legislation impacting independent schools in a manner which places pupil well-being and the support of our immediate community and partners at the heart of our plans.
5. Further develop SEND practice and support at the School, making SEND information easier to access, increasing staff training and specialist SEND support in lessons.
6. Continue to develop policies to support pupils' well-being – ensuring that all pupils are able to thrive.
7. Develop and enhance all forms of pupils' voice within the School.
8. Establish a whole School plan for sustainability which combines both site and practical issues as well as education.

RISK MANAGEMENT

The Governing Body is responsible for identifying and addressing risks. Governors are aware of the need for prudent financial management, following the re-building of the senior school and ongoing construction of the new SPJ buildings. The School has introduced a new teaching staff pay spine for new joiners and worked with staff on new pension arrangements to control future staffing costs. We have also modelled plans for the introduction of VAT on school fees and loss of charitable business rates relief. Plans to establish new commercial income streams continue to be developed, and on site lettings have grown significantly.

A formal review of the School's risk management controls is performed annually but risk management is at the heart of all decision making. The Governors and executive staff regularly review and update procedures in order to identify and mitigate risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results are presented on pages 22 - 44 of this report. During the year there was a net increase in funds of £2,817,000 (2023: £1,758,000) bringing the total funds to £127,664,000 at 31 August 2024 (2023: £124,847,000). In addition to the School's operational surplus the main reasons for the increase in funds for the year were bursary donations, bank interest, investment income and net gains on investments.

The School's main income is from fees. The total income of £49,100,000 (2023: £46,316,000) consists of unrestricted income of £46,788,000 (2023: £42,839,000), restricted income of £1,674,000 (2023: £2,893,000) and endowed income of £638,000 (2023: £584,000). The restricted income funded bursaries, scholarships and prizes. The unrestricted income, in addition to fees, includes bank interest, investment income, trading income, donations and legacies and other categories such as rents received.

Within total expenditure of £50,411,000 (2023: £44,184,000), educational costs were the largest category of expenditure at £27,150,000 (2023: £24,249,000) followed by premises costs at £8,887,000 (2023: £8,516,000).

The School's finances continued to be monitored very closely during the year and remain in a strong position. The unrestricted net income for the year before investment gains and transfers reduced from £1,886,000 to £172,000 but this was due primarily to some significant one-off items of expenditure including the initiation of the wind up of the support staff defined benefit pension scheme and legal and professional fees associated with the consultation process on the Teachers' Pension Scheme.

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Reserves Policy

The funds at the year-end totalled £127,664,000 (2023: £124,847,000) which included £115,474,000 of unrestricted funds (2023: £112,900,000), £5,786,000 of restricted funds (2023: £6,654,000) and £6,404,000 of endowed funds (2023: £5,293,000).

The Trustees have set a reserves policy which requires:

- a reserve of £5million to be maintained, separately from the School's working capital, to ensure the School can continue to pay salaries and creditors for three months with no additional income;
- a reserve to cover the cash required by the budgets formally committed to the rebuilding project;
- a contribution of £2,048,000 as at 31 August 2024 (2023: £1,610,000) out of the School's cash surpluses into a designated Future Estate Capital Fund dedicated to the long-term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. This annual contribution will rise to £2,260,000 by August 2026 and will then increase by inflation each year into the foreseeable future;
- a commitment to set aside any remaining cash surpluses from each financial year after the above contribution to the Future Estate Capital Fund and Private Placement capital repayments towards future bursary awards and partnerships / public benefit work.

As at 31 August 2024, the School has negative free reserves of £29,332,000 after allowing for the above reserve of £5,000,000 and £2,048,000 Future Estate Capital Fund contribution which are both held in readily available cash. This reflects the substantial investment that the School is making, and will continue to make, in its buildings. The negative free reserves position is therefore expected to continue for the foreseeable future. However, the School has a very strong net current asset position of £39,660,000 (2023: £43,951,000). Therefore, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

Investment Policy

In accordance with the Memorandum and Articles of Association, the Governors have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The policy is for a medium risk investment approach. Two investment managers, Waverton Investment Management Limited and Rathbone Investment Management Limited, manage the investment of the School's endowed funds, restricted bursary funds, Kayton legacy funds and the Future Estate Capital Fund with the restrictions that no funds are to be placed in the following areas: pornography, armaments, gambling, tobacco and direct investment in fossil fuel stocks. The School also continues to hold short to medium term secure deposit accounts with UK banks. With the consent of the Finance Committee, the Finance Director may invest monies that will not be needed by the School at short notice. Investments are reported at every Finance Committee meeting. The policy is reviewed annually to ensure it remains in line with the School's objectives and prevailing economic conditions.

Investment Performance against Objectives

The market value of the School's investments at the end of the year was £28,362,000 (2023: £21,874,000). The School's investments are mainly in equities and funds. The value of the portfolios held with Waverton Investment Management Limited and Rathbone Investment Management Limited have increased by 20.92% and 12.94% respectively in capital terms. The difference in performance reflects the different mandate for each investment manager. This performance is significantly above the benchmarks of CPI plus 4.50% for Waverton and CPI plus 3.00% for Rathbones but consistent with prevailing market conditions during the year.

Fundraising Practices

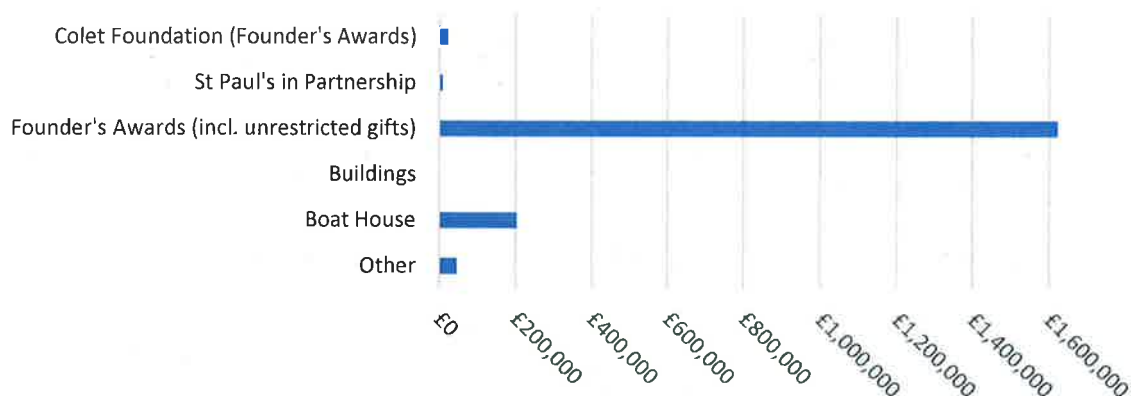
This 2023/24 academic year was the start of the £8.5 million *Shaping Our Future: Next Steps* campaign, launched in May 2024 (quiet phase from 1 September 2023). The *Next Steps* initiative continues on from the *Shaping Our Future* campaign, narrowing focus on two main areas: growth of our Founder's Awards (Widening Access) to 10% of our pupil cohort and St Paul's in Partnership, continuing to support the growth of our partnership model. We have raised £1.92 million to date in cash across a number of projects (see fig.1). With projected income of pledges from high-net-worth donors and regular giving across five years, our projected income is £2.8 million.

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

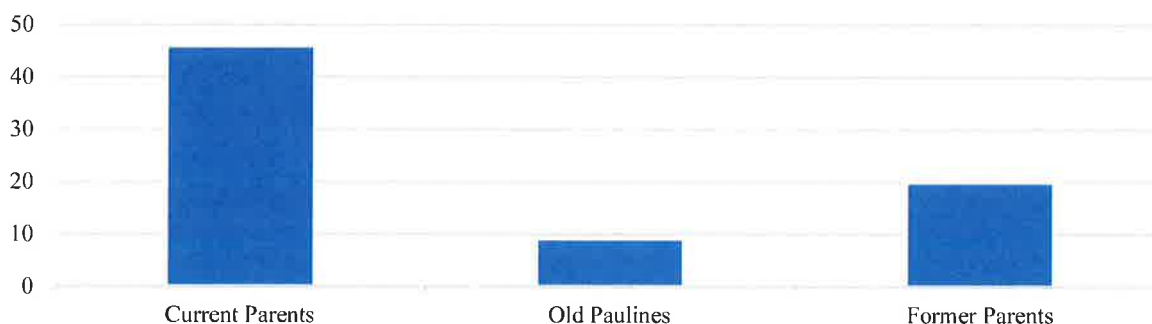
Fundraising Practices (continued)

Fig.1 Total fundraising income for 2023-2024



We receive significant support from across the whole of the St Paul's community. Current parents continue to be our greatest supporters with 46% of our parent body giving to our vision. This is down slightly on last year's figure simply due to the transition from current parent to former parents for many contributing families and the introduction of new parents to the School. With this in mind, fundraising is seen as part of the fabric of the School and introduced as such at events including the SPJ and SPS new parents' evenings, where we have an opportunity to speak about what philanthropy means to St Paul's and the opportunities for our community to get involved, such as the 1509 Society.

Fig.2 Breakdown of giving by constituent by %



1. Fundraising targets for Widening Access (Founder's Awards) - £7 million

Year	2023/24	2024/25	2025/26
Target	£150,000	£3,250,000	£3,600,000
Achieved	£1,646,780		

2. Fundraising targets for St Paul's in Partnership, which includes Pauline Service in the community, partner schools' programme, developing enterprise skills and building awareness of bursaries - £1.5 million

Year	2023/24	2024/25	2025/26
Target	*	£750,000	£750,000
Achieved	£10,000		

*Our target for 2023/24 was a focus on time spent linking individuals with the various partnership projects that we will be fundraising for in the following years.

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

3. Boathouse refurbishment

Year	2023/24
Target	£2,700,000
Achieved	£203,768

Buffalo Fundraising Consultants were employed to support the infrastructure for the Telethon, which took place from 28 August to 10 September 2024. £73,479 was pledged by Old Paulines over a five-year period, averaging £123 per gift. The age groups that gave the most were 30-34 and 80-85 years. In addition to this we received confirmation of legacies from a number of individuals. A follow up to those considering making a gift is forthcoming and further gifts are still being made directly to the School each day resulting from the calls. In total, 596 Old Paulines were called and spoke with our team of young Old Paulines, with over 8,619 dialling attempts. This campaign has served not only to fundraise, but to raise awareness for our work around bursaries and partnerships, and to engage with Old Paulines. 102 new emails, 47 new contact numbers, 80 new professions and much more crucial information was gathered.

The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices'. The School also adheres to the Code of Fundraising Practice and associated rulebooks and is a member of the Institute of Development Professionals in Education (IDPE). Various members of staff also have personal membership of the Chartered Institute of Fundraising.

There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation and the School received no complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) which came into effect in May 2018. As a school, we are fully compliant with GDPR and take our responsibilities seriously.

Companies (Miscellaneous Reporting) Regulations 2018

The Governors have promoted the success of the School by acting in good faith to assist the charitable company to meet its aims and objectives. Further detail on this can be found in the 'Objectives to Achieve the Aims for the Year' section of this report on pages 3 to 5.

Employees are involved in, and consulted about, a variety of School and workplace issues through a range of mechanisms. A range of detailed HR policies support the charitable and business objectives and ensure compliance with employment legislations. These are reviewed at least annually. A Joint Consultative Forum (JCF) is also in place, with representation from SPS and SPJ teaching staff and support staff. The JCF enables employees to raise issues with the Executive on a regular basis and the minutes of those meetings are viewed by the Governors.

The School provides various support mechanisms to promote the wellbeing of employees. These include a health cash plan which, amongst many benefits, includes reimbursement for eyesight tests together with a contribution towards the cost of glasses), a chaplain, a medical centre, the provision of flu vaccinations, physiotherapy sessions and School counsellors.

In accordance with the Equal Opportunities Policy, the School seeks to treat all employees, all other members of the School community and any person visiting the School equally, regardless of their disability. The School expects all employees and all other members of the School community to comply with this policy. If an employee is disabled or becomes disabled during the course of employment, the School will endeavour to support the employee to as great an extent as possible.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

John Colet, Dean of St Paul's, founded St Paul's School in 1509 and placed the administration in the hands of The Mercers' Company. The School is a company limited by guarantee with charitable status (company number 6141973, registered charity number 1119619) which is governed by its Memorandum and Articles of Association. The Mercers' Company, a Livery Company, a body corporate formed by Royal Charter in 1394, is the sole member. The School has two linked charities, The St Paul's School General Charitable Trust (registered charity number 1119619-1) and St Paul's School Central Prize Fund (registered charity number 1119619-2) which hold the School's endowment funds.

Governing Body

The Governors of the School are the trustees of the charity and directors of the company. The Governors serving at the date of this report, and who served throughout the period 1 September 2023 until 31 August 2024 (except where otherwise stated), are:

Richard Cassell (*Chair*)
Tim Haynes (*Deputy Chair*)
Tom Adeyoola
Sarah Barker
Jaideep Barot (appointed 1 September 2024)
Vervan Exelby (*Safeguarding Governor, Educational Visits Governor, e-Safety Governor*)
Andrew Fenwick
Joanne Harris (*Health and Safety Governor*)
Harold Hampson
Samuel Newhouse
Alison Palmer (*Boarding Governor*)
Aisha Sanusi (*Inclusion Governor*)
Sarah Thomas (*SEN & Learning Support Governor from 1 September 2024*)
Rupert Tate
Mark Tuffney (*SPJ Governor*)
Rt. Hon. Lord Vaizey

*Committees (Non Governors are marked with an *)*

Education Committee:

Sarah Thomas (*Chair*)
Jaideep Barot (from 1 September 2024)
Tim Haynes
Rupert Tate
Mark Tuffney

Finance Committee:

Harold Hampson (*Chair*)
Richard Cassell
Andrew Fenwick
Samuel Newhouse
Alison Palmer

Nominations and Remuneration Committee:

Alison Palmer (*Chair*)
Richard Cassell
Tom Adeyoola
Sarah Barker

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Public Benefit Committee:

Samuel Newhouse (*Chair*)
Richard Cassell
Tom Adeyoola
Aisha Sanusi
Rt. Hon. Lord Vaizey
Robert Engel (co-opted member from 1 September 2024) *

Safeguarding Committee:

Veryan Exelby (*Chair*)
Joanne Harris
Sarah Thomas
Nick Arnold *
Paul Doyle * (until 31 August 2024)
Nick Hudson * (from 1 September 2024)
Clare Kelly * (until 31 August 2024)
Sam Madden * (until 31 August 2024)
Nicola Taylor * (from 1 September 2024)
Nick Watkins *

Key Management Personnel:

High Master:	Sally-Anne Huang
Surmaster, St Paul's:	Francis Clough
Head, St Paul's Juniors:	Oliver Snowball
Finance Director:	Steven Grace

Recruitment, Induction and Training of Governors

The existing Memorandum and Articles of Association state that there shall be a minimum of ten and a maximum of 16 Governors. Governors are selected by reference to their eligibility, personal competence and specialist skills which are mapped against the skills profile and needs of the whole Governing Body. On appointment Governors are given an induction pack and attend an induction at the School. During the course of the year further training is made available, and recommendations are made about suitable courses for Governors to attend.

Organisational Management

The Governors are responsible for the strategic direction, oversight and regulatory compliance of the School. The management of the School is delegated to the High Master supported by the Executive Management Team known as the Core Strategy Group. The Governing Body meets at least four times a year. The High Master attends the Governing Body meetings and reports on the management of the School.

The Governing Body has the following sub-committees:

- (a) *Education Committee:* monitors, reports to and advises the Board on the educational strategy of the School and its implementation to include the level and quality of education being provided;
- (b) *Finance Committee:* monitors and reviews all aspects of the School's financial performance, financial management, financial reporting arrangements, budgeting, financial systems and controls. The Committee is also responsible for the School's portfolio of investments, establishing and following the investment policy, making investment decisions, monitoring and oversight of the redevelopment of the School's buildings and managing the upkeep and maintenance of the School's residential property portfolio;
- (c) *Nominations and Remuneration Committee:* oversight of the selection, nomination and appointment of Governors, the High Master and the Finance Director and of recommendations on senior executive remuneration;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- (d) *Public Benefit Committee*: oversight of the development and delivery of open access to St Paul's through bursary provision and programmes of partnership activities; and
- (e) *Safeguarding Committee*: oversight of child protection and safeguarding matters including resourcing, training and an anonymised review of the School's response to cases.

All committees report to the Governing Body and are subject to terms of reference that outline the committee's remit and any delegated authority. The Chairman of the Governing Body has a right, which he exercises, to attend any committee of the Board. The High Master and senior staff attend committee meetings as required.

Key Management Remuneration

The Nominations and Remuneration Committee has delegated responsibility for determining the remuneration and benefits of the High Master and key management personnel, and takes advice and recommendations on the annual salary reviews or any package changes for the key management personnel, including reviewing appropriate salary benchmark information.

Regulation

The School is regulated by the Department for Education. It is a member of the Independent Schools Council and is inspected by the Independent Schools Inspectorate (ISI).

Registered Office and Advisors

Registered Office:	Lonsdale Road Barnes London SW13 9JT	
Legal:	Veale Wasbrough Vizards Central Court 255 Southampton Buildings Chancery Lane London WC2A 1AL	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 1AL
Auditor:	HaysMac LLP 10 Queen Street Place London EC4R 1AG	
Banking:	National Westminster Bank Plc 111 - 117 Putney High Street Putney London SW15 2LL	
Investment Management:	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Actuaries:	Barnett Waddingham 2 London Wall Place London EC2Y 5AU	XPS Pensions Group Tempus Court, Onslow Street Guildford GU1 4SS
Insurance Broker:	Assured Partners Hettle Andrews Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP	

Website:
St Paul's School

www.stpaulsschool.org.uk

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of St Paul's School for the purposes of charity and company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records 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 enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- so far as each Governor 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 Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITOR

On 19 November 2024, the company's auditor changed its name from Haysmacintyre LLP to HaysMac LLP. HaysMac LLP have indicated their willingness to be reappointed as statutory auditor.

The Governors' Report (including the Strategic Report) has been approved by the Board of Governors and signed on their behalf by:



Richard Cassell
Chair of Governors

4 December 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL

Opinion

We have audited the financial statements of St Paul's School for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of the net movement in funds, including the 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 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 Governors' 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 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the charitable company; or

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 18 the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019), and considered other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities, including the outcomes of inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, using data analytics to focus on higher risk entries; and
- Challenging assumptions and judgements made by management in their accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of 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.

Tracey Young

**Tracey Young (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors**

**10 Queen Street Place
London
EC4R 1AG**

Date: 18 February 2025

ST PAUL'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2024 £'000	Total 2023 £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	41,301	-	-	41,301	38,747
Ancillary trading income	3	2,294	-	-	2,294	1,891
Other trading activities						
Non-ancillary trading income	4	176	-	-	176	158
Investments						
Investment income		244	233	-	477	375
Bank and other interest		2,492	-	-	2,492	1,660
Voluntary sources						
Donations, legacies and grants	5	281	1,441	638	2,360	3,485
Total income		46,788	1,674	638	49,100	46,316
Expenditure on:						
Raising funds						
Financing costs	8	1,461	-	-	1,461	1,472
Investment management		100	-	-	100	96
Fundraising and development		362	-	-	362	352
Marketing and publicity		871	-	-	871	669
		2,794	-	-	2,794	2,589
Charitable activities						
Education and grant making		43,822	3,795	-	47,617	41,595
Total expenditure	7	46,616	3,795	-	50,411	44,184
Net income / (expenditure) from operations before investment gains and transfers		172	(2,121)	638	(1,311)	2,132
Net gains on investments	10	1,997	852	972	3,821	255
Transfers between funds		98	401	(499)	-	-
Net income / (expenditure)		2,267	(868)	1,111	2,510	2,387
Other recognised gains						
Pension scheme actuarial gains / (losses)	19	307	-	-	307	(629)
Net movement in funds		2,574	(868)	1,111	2,817	1,758
Reconciliation of funds						
Fund balances at 1 September 2023		112,900	6,654	5,293	124,847	123,089
Fund balances at 31 August 2024	18	115,474	5,786	6,404	127,664	124,847

The attached notes on pages 26 to 44 form an integral part of these financial statements.

All of the School's activities represent continuing operations.

See note 24 for the Statement of Financial Activities for the year ended 31 August 2023.

ST PAUL'S SCHOOL

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	2024 Unrestricted and restricted funds £'000	2023 Unrestricted and restricted funds £'000
Income from:		
Charitable activities		
School fees receivable	41,301	38,747
Ancillary trading income	2,294	1,891
Other trading activities		
Non-ancillary trading income	176	158
Investments		
Investment income	477	375
Bank and other interest	2,492	1,660
Voluntary sources		
Donations, legacies and grants - unrestricted	281	220
Donations, legacies and grants - restricted	1,441	2,681
Total income	48,462	45,732
Expenditure on:		
Raising funds		
Financing costs	1,461	1,472
Investment management	100	96
Fundraising and development	362	352
Marketing and publicity	871	669
	2,794	2,589
Charitable activities		
Education and grant making	47,617	41,595
Total expenditure	50,411	44,184
Net (expenditure) / income before investment gains	(1,949)	1,548
Net gains on investments	2,849	161
Net income	900	1,709

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on page 22 and its presentation is required under the Companies Act 2006.

The attached notes on pages 26 to 44 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	9	116,370	112,938
Investments	10	28,362	21,874
		<u>144,732</u>	<u>134,812</u>
Current assets			
Stock		57	96
Debtors	11	1,606	2,160
Cash at bank and in hand		49,650	48,541
		<u>51,313</u>	<u>50,797</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(11,653)	(6,846)
Net current assets		<u>39,660</u>	<u>43,951</u>
Total assets less current liabilities		<u>184,392</u>	<u>178,763</u>
Creditors: amounts falling due after more than one year	13	(56,663)	(53,851)
Provisions for liabilities and charges	14	(65)	(65)
Net assets excluding pension liability		<u>127,664</u>	<u>124,847</u>
Pension scheme liability	19	-	-
Net assets		<u>127,664</u>	<u>124,847</u>
FUNDS			
Endowment funds	18	6,404	5,293
Restricted funds	18	5,786	6,654
Unrestricted funds	18	115,474	112,900
Total funds before pension reserve		<u>127,664</u>	<u>124,847</u>
Pension scheme funding reserve	18	-	-
Total funds		<u>127,664</u>	<u>124,847</u>

The financial statements were approved and authorised for issue by the Governors on 4 December 2024 and were signed below on its behalf by:



Richard Cassell
Chair of Governors



Harold Hampson
Chair of Finance Committee

The attached notes on pages 26 to 44 form an integral part of these financial statements.

ST PAUL'S SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024	2023
		£'000	£'000
Net cash inflow from operations			
Net cash provided by operating activities	20	7,845	4,084
Cash flows from investing activities			
Payments for tangible fixed assets	9	(7,622)	(7,097)
Proceeds from sale of tangible fixed assets	7	-	-
Payments for investments	10	(2,667)	(11,688)
Investment income and bank and other interest received		2,928	2,018
Net cash used in investing activities		(7,354)	(16,767)
Cash flows from financing activities			
New endowments		638	584
Repayment of obligations under hire purchase contracts		(20)	(20)
Net cash provided by financing activities		618	564
Change in cash and cash equivalents in the reporting period		1,109	(12,119)
Cash and cash equivalents at the beginning of the reporting period		48,541	60,660
Cash and cash equivalents at the end of the reporting period	21	49,650	48,541
Analysis of movements in net cash / (debt)			
		2023 £'000	Cash flows £'000
			New borrowing £'000
			2024 £'000
Cash at bank and in hand		48,541	1,109
Total cash and cash equivalents		48,541	1,109
Hire purchase contracts		(37)	20
Private Placement funding falling due after one year		(50,000)	-
Total		(1,496)	1,129

The attached notes on pages 26 to 44 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

Accounting basis

St Paul's School is a Public Benefit Entity. It is a company limited by guarantee registered in England and Wales (company number 06141973 incorporated on 6 March 2007) and a charity registered with the Charity Commission (charity number 1119619 registered on 12 June 2007). Its registered address is Lonsdale Road, Barnes, London, SW13 9JT.

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") – 2nd Edition effective 1 January 2019. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. There are considered to be no material uncertainties regarding the School's going concern status.

The School's wholly owned subsidiary, St Paul's School Enterprises Limited, was incorporated on 29 May 2019 with £1 of issued share capital. The company was dormant until 31 August 2021 and commenced trading on 1 September 2021. Consolidated accounts have not been prepared on the grounds that the activity is immaterial to the group. See note 23 for a summary of the company's results for the year ended 31 August 2024 and 2023.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. 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 affects current and future periods. The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 19.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

1. ACCOUNTING POLICIES (continued)

Fees and similar income

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

Rental and investment 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.

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

For legacies, entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable 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. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include financing, investment management, fundraising and development and marketing and publicity costs.

Grants

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

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Funds

The School has three types of funds:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the School.

1. ACCOUNTING POLICIES (continued)

Pension schemes (wording to be updated as required)

The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also operates the St Paul's Schools' Non-Teaching Staff Pension Fund. The scheme is a defined benefit scheme in accordance with section 28 of FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate. The scheme entered wind up on 1 May 2024.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to financing costs in the Statement of Financial Activities.
- Pension finance charges arising from similar changes are recognised as expenditure.
- Remeasurement gains and losses are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation. The defined benefit scheme is in a surplus position. However, it is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Details of the scheme assets and liabilities and major assumptions are shown in note 19.

Following the closure of the Non-Teaching Staff defined benefit scheme to new members and also to future accrual with effect from 1 January 2016, all Non-Teaching members of staff, unless they choose to opt out, contribute into a separate defined contribution scheme. Teachers who opt out of the Teachers' Pension Scheme are also eligible to contribute into this scheme. Costs associated with this scheme are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Capitalisation and replacement

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.

Depreciation

Depreciation of assets is provided at rates to write off the cost over their estimated useful lives as follows:

- | | |
|--|----------|
| • School and residential buildings | 50 years |
| • Leasehold improvements | 20 years |
| • School and residential refurbishments | 10 years |
| • School equipment and musical instruments | 10 years |
| • Furniture and fittings | 4 years |
| • Vehicles and boats | 4 years |
| • Computers | 3 years |

Assets held under construction are not depreciated as the assets have not yet been brought into use. On completion the assets will be transferred to buildings and depreciated over their expected useful life.

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at cost. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sale proceeds and opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year-end and their opening carrying value. Realised and unrealised investment gains and losses are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

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, trade and fee debtors, other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and Private Placement funding. Financial liabilities measured at fair value comprise the pension scheme liability.

Stock

Stock representing books, stationery, padlocks and kitchen supplies, is stated at the lower of cost and estimated realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash and cash equivalents include cash and deposits with a short term maturity of 12 months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the School becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Where payments are eventually made, they are charged to the provision carried in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2024	2023
	£'000	£'000
Fees receivable consist of:		
School fees	42,059	39,355
Less: total bursaries, grants and allowances	(3,972)	(3,673)
	<u>38,087</u>	<u>35,682</u>
Add: scholarships, grants, etc. received from restricted funds	3,214	3,065
	<u>41,301</u>	<u>38,747</u>
Included within total bursaries, grants and allowances are means-tested bursaries of £3,361,000 paid to 138 pupils (2023: £3,205,000 paid to 143 pupils). 73% (2023: 66%) of these awards were either full fee or higher than 75% of fees.		
3. CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME	2024	2023
	£'000	£'000
Fee extras (including School trips)	1,889	1,559
Entrance and registration fees	254	250
Tuck shop and café sales income	133	66
Commissions and other income	18	16
	<u>2,294</u>	<u>1,891</u>
4. OTHER TRADING - NON-ANCILLARY TRADING INCOME	2024	2023
	£'000	£'000
Hire of School facilities	40	29
Rental income	136	129
	<u>176</u>	<u>158</u>
5. DONATIONS, LEGACIES AND GRANTS	2024	2023
	£'000	£'000
Donations for:		
Bursaries	1,622	2,330
Prizes and other awards	3	3
Rebuilding fund	2	2
Other	725	652
	<u>2,352</u>	<u>2,987</u>
Legacies	8	498
	<u>2,360</u>	<u>3,485</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

6. STAFF COSTS	2024 £'000	2023 £'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	21,094	19,024
Social security costs	2,506	2,304
Pension costs:		
Defined contribution scheme	730	389
Defined benefit scheme	1,630	184
Teachers' Pension Scheme	3,152	2,873
Medical insurance	125	115
Consultancy costs	241	176
Contract staff costs	764	802
Recruitment costs	105	120
Redundancy / termination payments	59	-
Other	25	29
	<u>30,431</u>	<u>26,016</u>

None of the Governors received any remuneration or other benefits (2023: none).

Aggregate employee benefits of key management personnel	<u>1,102</u>	<u>1,012</u>
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	2024 Number	2023 Number
The number of employees whose emoluments in the year exceeded £60,000 was:		
£60,000 - £69,999	29	34
£70,000 - £79,999	51	55
£80,000 - £89,999	44	32
£90,000 - £99,999	20	8
£100,000 - £109,999	5	3
£110,000 - £119,999	2	-
£120,000 - £129,999	-	3
£130,000 - £139,999	3	1
£140,000 - £149,999	2	1
£150,000 - £159,999	1	-
£190,000 - £199,999	-	1
£200,000 - £209,999	1	1
£330,000 - £339,999	-	1
£360,000 - £369,999	1	-

Of the above staff members 106 (2023: 131) have benefits accruing under defined benefit pension schemes and 52 (2023: eight) have benefits accruing under the defined contribution scheme. Employer's contributions for the defined benefit schemes were £2,191,467 (2023: £2,365,559) and for the defined contribution scheme were £1,029,951 (2023: £44,168).

The average number of the School's employees during the year calculated on a full time equivalent basis was 331 (2023: 310) and on a head count basis was 384 (2023: 373).

Full time equivalent basis	2024 Number	2023 Number
Teaching	209	202
Welfare	6	6
Premises	31	30
Support	78	64
Other	7	8
	<u>331</u>	<u>310</u>

6. STAFF COSTS (continued)

Head count basis	2024 Number	2023 Number
Teaching	226	237
Welfare	9	9
Premises	33	36
Support	106	82
Other	10	9
	<u>384</u>	<u>373</u>

7. ANALYSIS OF TOTAL EXPENDITURE

2024	Staff costs £'000	Other £'000	Depreciation £'000	Total 2024 £'000
Costs of raising funds				
Financing costs (note 8)	-	1,461	-	1,461
Investment management	-	100	-	100
Fundraising and development	214	148	-	362
Marketing and publicity	580	291	-	871
	<u>794</u>	<u>2,000</u>	<u>-</u>	<u>2,794</u>
Charitable activities				
Education	22,422	4,343	385	27,150
Welfare	367	2,101	115	2,583
Premises	2,393	3,033	3,461	8,887
Support costs and governance	4,455	747	-	5,202
Grants, awards and prizes	-	3,795	-	3,795
	<u>29,637</u>	<u>14,019</u>	<u>3,961</u>	<u>47,617</u>
Total expenditure	<u>30,431</u>	<u>16,019</u>	<u>3,961</u>	<u>50,411</u>
2023	Staff costs £'000	Other £'000	Depreciation £'000	Total 2023 £'000
Costs of raising funds				
Financing costs (note 8)	-	1,472	-	1,472
Investment management	-	96	-	96
Fundraising and development	218	134	-	352
Marketing and publicity	463	206	-	669
	<u>681</u>	<u>1,908</u>	<u>-</u>	<u>2,589</u>
Charitable activities				
Education	20,001	3,786	462	24,249
Welfare	370	1,981	27	2,378
Premises	2,168	3,347	3,001	8,516
Support costs and governance	2,796	425	-	3,221
Grants, awards and prizes	-	3,231	-	3,231
	<u>25,335</u>	<u>12,770</u>	<u>3,490</u>	<u>41,595</u>
Total expenditure	<u>26,016</u>	<u>14,678</u>	<u>3,490</u>	<u>44,184</u>

7. ANALYSIS OF TOTAL EXPENDITURE (continued)

Governance costs included in support costs:	2024 £'000	2023 £'000
Auditor's remuneration:		
For audit	44	40
For corporation tax	4	3
For employment tax advice	-	1
Staff costs	62	62
Legal and professional fees	528	257
Other	14	13
	<u>652</u>	<u>376</u>

The School has obtained permission from the Charity Commission to offer a scheme of redress in respect of the historic abuse allegations and ex-gratia payments totalling £1,036 were made during the year ended 31 August 2023 (2024: £Nil). See note 14 for further information.

One Governor (2023: two) was reimbursed travel, accommodation and other expenses amounting to £266 during the year (2023: £242). Amounts paid directly to third parties on behalf of Governors during the year amounted to £13,619 (2023: £12,756). These expenses consisted of training costs, subscriptions, legal fees, catering costs for Board and sub-committee meetings, costs associated with the Governors' away day and entertainment costs on School business.

GRANTS, AWARDS AND PRIZES	2024 £'000	2023 £'000
From restricted and endowed funds		
Bursaries and other awards	3,275	3,120
Prizes and leaving awards	486	111
Rebuilding fund	34	-
	<u>3,795</u>	<u>3,231</u>

8. FINANCING COSTS

	2024 £'000	2023 £'000
Private placement financing costs	1,458	1,458
Hire purchase interest	3	4
Provision for bad debts	-	10
	<u>1,461</u>	<u>1,472</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

9. TANGIBLE ASSETS	Assets held under construction £'000	Charitable properties £'000	Furniture fittings & Equipment £'000	Vehicles and Boats £'000	Total £'000
Cost					
At 1 September 2023	6,406	124,550	5,826	842	137,624
Additions	6,065	814	583	160	7,622
Disposals	(229)	-	-	(26)	(255)
At 31 August 2024	12,242	125,364	6,409	976	144,991
Depreciation					
At 1 September 2023	-	19,462	4,470	754	24,686
Charge for the year	-	3,375	523	63	3,961
Disposals	-	-	-	(26)	(26)
At 31 August 2024	-	22,837	4,993	791	28,621
Net book value					
At 31 August 2024	12,242	102,527	1,416	185	116,370
At 31 August 2023	6,406	105,088	1,356	88	112,938

As at 31 August 2024, the School has capital commitments of £29,240,778 (2023: £1,051,311) in relation to the School's rebuilding programme. The net book value of assets held under hire purchase contracts was £Nil (2023: £Nil). The depreciation charge for the year was £Nil (2023: £36,927).

10. INVESTMENTS	2024 £'000	2023 £'000
Listed investments:		
Valuation at 1 September 2023	21,874	9,931
Additions at cost	2,667	11,688
Net gains on investments	3,821	255
Valuation at 31 August 2024	28,362	21,874
Total investments at 31 August 2024	28,362	21,874
Investments comprise:		
Listed investments		
Equities	24,467	17,355
Bonds	2,076	1,865
Pooled investment vehicles	1,324	1,544
Cash holdings	495	1,110
Total investments at 31 August 2024	28,362	21,874
Cost of investments	23,426	20,759

Of the total investments of £28,362,000 (2023: £21,874,000), £6,965,000 (2023: £8,355,000) are held in the UK and £21,397,000 (2023: £13,519,000) are held overseas.

The School also has a £1 investment (2023: £1) in its subsidiary undertaking, St Paul's School Enterprises Limited, which was incorporated on 29 May 2019. The company commenced trading on 1 September 2021 and its results for the year ended 31 August 2024 and 2023 are shown in note 23.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

11. DEBTORS	2024 £'000	2023 £'000
Fees	9	7
Amounts owed by group undertakings	183	144
Sundry debtors	517	307
Prepayments and accrued income	897	1,702
	<u>1,606</u>	<u>2,160</u>
12. CREDITORS: due within one year	2024 £'000	2023 £'000
Trade creditors	2,909	993
Fees received in advance	4,070	1,513
Refundable deposits (note 15)	612	543
Hire purchase contracts (note 15)	17	20
Other taxes and social security costs	675	622
Other creditors	555	340
Accruals and deferred income	2,815	2,815
	<u>11,653</u>	<u>6,846</u>
Deferred income brought forward as at 1 September 2023 was £195,000 (2022: £174,000) and carried forward as at 31 August 2024 was £202,000 (2023: £195,000). This mostly related to advance School bus income received. The amount released to the Statement of Financial Activities in the year was £195,000 (2023: £174,000).		
13. CREDITORS: amounts falling due after more than one year	2024 £'000	2023 £'000
Fees received in advance	2,760	37
Refundable deposits (note 15)	3,903	3,797
Hire purchase contracts (note 15)	-	17
Private Placement funding	50,000	50,000
	<u>56,663</u>	<u>53,851</u>

On 7 June 2017, the School entered into a private placement arrangement with BAE Systems Pension Scheme for £15m of funding at a coupon rate of 2.3% towards the construction costs of Phase 2 of the General Teaching Building. Drawdown of the funds took place in June 2018 and the capital will be repaid over ten equal annual instalments of £1.5m commencing in 2028. On 12 March 2019, the School entered into a second private placement arrangement with The Prudential Insurance Company of America for £35m of funding at a coupon rate of 3.18% towards the construction costs of the next phases of the School masterplan which includes the rebuilding of the Junior School. Drawdown of the funds took place in March 2019 and the capital will be repaid over 14 equal annual instalments of £2.5m commencing in 2039.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2024 £'000	2023 £'000
As at 1 September 2023	65	66
Amounts utilised	-	(1)
As at 31 August 2024	<u>65</u>	<u>65</u>

Provisions for liabilities and charges of £65,000 as at 31 August 2024 (2023: £65,000) relates to the best estimate of legal costs to be incurred subsequent to the year-end in respect of the historic abuse allegations.

15. REFUNDABLE DEPOSITS AND HIRE PURCHASE CONTRACTS

	Refundable deposits		Hire purchase contracts	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
After 5 years	1,688	1,669	-	-
Between 2 to 5 years	1,620	1,573	-	-
Between 1 to 2 years	595	555	-	17
After more than 1 year	3,903	3,797	-	17
Within 1 year	612	543	17	20
	<u>4,515</u>	<u>4,340</u>	<u>17</u>	<u>37</u>

16. OPERATING LEASE COMMITMENTS

Operating leases that are subject to future minimum lease commitments are as follows:

	2024 £'000	2023 £'000
As Lessee:		
Less than 1 year		
Photocopiers	-	36
Franking machines	10	20
Computers	18	26
Minibuses	8	8
Land and buildings	1	1
Between 1 and 2 years		
Franking machines	10	10
Computers	9	10
Minibuses	8	8
Land and buildings	1	1
Between 2 and 5 years		
Franking machines	30	-
Computers	9	-
Minibuses	16	24
Land and buildings	3	3
Over 5 years		
Land and buildings	753	754
	<u>876</u>	<u>901</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

**16. OPERATING LEASE COMMITMENTS
(continued)**

	2024 £'000	2023 £'000
As Lessor:		
Less than 1 year		
Land and buildings	160	102
Between 1 and 2 years		
Land and buildings	122	44
Between 2 and 5 years		
Land and buildings	7	44
	<u>289</u>	<u>190</u>
Amounts charged / (credited) to Statement of Financial Activities:		
Photocopiers	36	48
Franking machines	20	20
Computers	26	37
Minibuses	8	-
Land and buildings - expenditure	1	1
Land and buildings – income	(105)	(111)
	<u></u>	<u></u>

17. ANALYSIS OF NET ASSETS

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

	Tangible fixed assets £'000	Investments £'000	Net current assets / (liabilities) £'000	Long term liabilities, provisions & pension deficit £'000	Total £'000
2024					
Endowment funds	-	6,766	(362)	-	6,404
Restricted funds	-	6,816	(1,030)	-	5,786
Unrestricted funds	116,370	14,780	41,052	(56,728)	115,474
	<u>116,370</u>	<u>28,362</u>	<u>39,660</u>	<u>(56,728)</u>	<u>127,664</u>
2023					
Endowment funds	-	5,194	99	-	5,293
Restricted funds	-	5,677	977	-	6,654
Unrestricted funds	112,938	11,003	42,875	(53,916)	112,900
	<u>112,938</u>	<u>21,874</u>	<u>43,951</u>	<u>(53,916)</u>	<u>124,847</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

18. FUNDS	Balance 1 September 2023 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2024 £'000
Endowed funds					
Scholarship funds	553	-	-	111	664
Bursary funds	4,397	638	-	323	5,358
Prize funds	343	-	-	39	382
	<u>5,293</u>	<u>638</u>	<u>-</u>	<u>473</u>	<u>6,404</u>
Restricted funds					
Bursaries	2,701	1,181	(3,275)	1,234	1,841
Scholarships	149	13	(13)	26	175
Prizes and other funds	2,135	478	(472)	(5)	2,136
Rebuilding fund	1,669	2	(35)	(2)	1,634
	<u>6,654</u>	<u>1,674</u>	<u>(3,795)</u>	<u>1,253</u>	<u>5,786</u>
Unrestricted funds					
General reserve	97,119	46,504	(46,195)	(5,390)	92,038
Pension scheme funding reserve	-	41	(348)	307	-
Bursaries and partnerships fund	12,607	195	(59)	5,059	17,802
Future estate capital fund	3,174	48	(14)	2,426	5,634
	<u>112,900</u>	<u>46,788</u>	<u>(46,616)</u>	<u>2,402</u>	<u>115,474</u>
Total funds	<u>124,847</u>	<u>49,100</u>	<u>(50,411)</u>	<u>4,128</u>	<u>127,664</u>
COMPARATIVE FIGURES	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2023 £'000
Endowed funds					
Scholarship funds	524	-	-	29	553
Bursary funds	3,738	584	-	75	4,397
Prize funds	352	-	-	(9)	343
	<u>4,614</u>	<u>584</u>	<u>-</u>	<u>95</u>	<u>5,293</u>
Restricted funds					
Bursaries	3,416	2,403	(3,120)	2	2,701
Scholarships	137	11	(6)	7	149
Prizes and other funds	1,726	477	(105)	37	2,135
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>6,948</u>	<u>2,893</u>	<u>(3,231)</u>	<u>44</u>	<u>6,654</u>
Unrestricted funds					
General reserve	109,977	42,658	(41,535)	(13,981)	97,119
Pension scheme funding reserve	-	17	612	(629)	-
Bursaries and partnerships fund	-	149	(27)	12,485	12,607
Future estate capital fund	1,550	15	(3)	1,612	3,174
	<u>111,527</u>	<u>42,839</u>	<u>(40,953)</u>	<u>(513)</u>	<u>112,900</u>
Total funds	<u>123,089</u>	<u>46,316</u>	<u>(44,184)</u>	<u>(374)</u>	<u>124,847</u>

18. FUNDS (continued)**Endowed funds**

Endowed funds are for scholarship, 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.

Restricted funds

The bursary and scholarship funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries and scholarships for pupils. Prize funds are for the costs associated with awarding the various prizes. The rebuilding fund was created for building programmes. The transfer from the rebuilding fund to the unrestricted general reserve of £2,000 (2023: £2,000) relates to the use of restricted donations towards the capital expenditure on buildings during the year.

Unrestricted funds

The bursaries and partnerships fund represents funds designated towards bursary awards and partnership work. The Kayton legacy proceeds of £9,206,000 were transferred to the fund during the year ended 31 August 2023. Amounts totalling £210,000 (2023: £180,000) paid to the School under gift aid from St Paul's School Enterprises Limited were also transferred to the fund together with the School's remaining cash surplus for the year ended 31 August 2023 of £3,230,000 (2022: £2,988,000). The future estate capital fund represents contributions transferred out of the School's cash surpluses towards the long term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. During the year ended 31 August 2024, a further contribution of £2,048,000 (2023: £1,610,000) was made.

19. PENSIONS**a) Non-Teaching Staff Pension Fund**

The School operates a defined benefit scheme in the UK (St Paul's Schools Non-Teaching Staff Pension Fund). Since 1 November 2006, the scheme has been closed to new members and closed to future accrual on 1 January 2016. The scheme entered wind up on 1 May 2024. Due to the wind up, the scheme's investments have been sold and transferred to secured pensions. Contributions to the scheme for the year ended 31 August 2025 are expected to be £Nil. The disclosures shown below adopt the accounting standard FRS 102.

A full actuarial valuation of the scheme was carried out as at 31 August 2020 and has been updated to 31 August 2024 by a qualified independent actuary. The major assumptions used by the actuary were (in nominal terms) as follows:

	2024 %	2023 %
Discount rate	5.00	5.30
Inflation assumption (RPI)	3.00	3.30
Inflation assumption (CPI)	2.70	3.00
Rate of increase in salaries	2.70	3.00
5% LPI pension increase assumption	2.60	3.00
2.5% LPI pension increase assumption	1.90	2.30

Assumed life expectancies on retirement at age 60 are:

Retiring today	Males	24.7	24.5
	Females	28.5	28.4
Retiring in 20 years' time	Males	26.2	25.7
	Females	29.6	29.6

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

19. PENSIONS (continued)

The assets in the scheme and their values were:

	2024 £'000	2023 £'000
Liability driven investments	-	9,982
Cash and other assets	506	135
Secured pensions	10,158	103
Absolute return fund	-	959
Fair value of scheme assets	<u>10,664</u>	<u>11,179</u>
The actual return on assets over the period was	<u>450</u>	<u>(789)</u>

	2024 £'000	2023 £'000
The amounts recognised in the balance sheet are as follows:		
Present value of obligations	(10,572)	(10,407)
Fair value of scheme assets	<u>10,664</u>	<u>11,179</u>
Surplus in funded scheme	92	772
Adjustment for unrecognised asset	<u>(92)</u>	<u>(772)</u>
Net surplus in scheme	<u>-</u>	<u>-</u>

	2024 £'000	2023 £'000
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Benefit obligation at beginning of year	10,407	11,772
Interest cost	536	483
Actuarial losses / (gains)	246	(1,342)
Benefits paid (excluding expenses)	<u>(617)</u>	<u>(506)</u>
Benefit obligation at end of year	<u>10,572</u>	<u>10,407</u>

	2024 £'000	2023 £'000
Reconciliation of opening and closing balances of the fair value of scheme assets		
Fair value of scheme assets at beginning of year	11,179	11,862
Interest income on scheme assets	577	500
Return on assets (excluding interest income)	(127)	(1,289)
Contributions by employers	1,193	789
Benefits paid (excluding expenses)	(617)	(506)
Scheme administrative cost (i.e. expenses paid)	(257)	(177)
Settlements	<u>(1,284)</u>	<u>-</u>
Fair value of scheme assets at end of year	<u>10,664</u>	<u>11,179</u>

19. PENSIONS (continued)

	2024	2023
Amounts recognised in the Statement of Financial Activities	£'000	£'000
Service cost – including current and past service costs, settlements	1,284	-
Service cost – administrative cost (i.e. expenses paid)	257	177
Net interest on the net defined benefit liability	(41)	(17)
	<u>1,500</u>	<u>160</u>
Total amount charged to the Statement of Financial Activities	1,500	160
	2024	2023
	£'000	£'000
Remeasurements of the net defined benefit liability to be shown in SOFA		
Actuarial losses / (gains) on the liabilities	246	(1,342)
Return on assets (excluding interest income)	127	1,289
Surplus on scheme that is not recoverable	(680)	682
	<u>(307)</u>	<u>629</u>
Total remeasurement of the net defined benefit liability to be shown in SOFA	(307)	629

The surplus linked to the defined benefit scheme is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Information about the type of scheme and funding policy

The scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to members' final salary at the earlier of the date of leaving employment and the date the scheme entered wind up (1 May 2024), and their length of service up to the date on which the scheme closed to future accrual (1 January 2016).

The scheme is a registered scheme under UK legislation.

The scheme was established from 1 June 1989 under trust and is governed by the scheme's definitive trust deed and rules dated 5 July 2001. The trustees are responsible for the operation and governance of the scheme, including making decisions regarding the scheme's funding and investment strategy. The trustees have insured all benefits payable from the scheme with an insurer.

The scheme does not hold any ordinary shares issued or property occupied by St Paul's Schools.

Information about the most recent actuarial valuation of the defined benefit obligation at the accounting date

The most recently completed formal actuarial valuation of the scheme was at 31 August 2020.

The value of the liabilities has been estimated by updating the results of the actuarial valuation as at 31 August 2020 to allow for the passage of time, actual inflation experience, benefits paid out of the scheme and changes in actuarial assumptions over the period from 31 August 2020 to 31 August 2024.

Such an approach is normal for the purpose of accounting disclosures. It is not expected that these projections will be materially different from the summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the scheme at the accounting date and those included in the disclosures.

b) Teaching Staff 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 £3,152,000 (2023: £2,873,000) and at the year-end £Nil (2023: £Nil) was accrued in respect of contributions to this scheme.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

19. PENSIONS (continued)

b) Teaching Staff Pension Scheme (continued)

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 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can elect to receive them from either the reformed or legacy schemes from 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation, have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08%, giving a total employer contribution rate of 28.68%.

c) Defined Contribution Pension Scheme

The School pays into a defined contribution scheme for teaching and non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £730,000 (2023: £389,000). There were contributions outstanding at the year-end of £169,000 (2023: £Nil).

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2024 £'000	2023 £'000
Net income	2,510	2,387
Elimination of non-operating cash flows:		
Dividend income	(477)	(375)
Interest receivable	(2,451)	(1,643)
Endowment donations	(638)	(584)
Defined benefit pension scheme adjustments	307	(629)
Depreciation charge	3,961	3,490
Gains on investments	(3,821)	(255)
Losses on disposal of tangible fixed assets	222	902
Decrease / (increase) in stock	39	(2)
Decrease / (increase) in debtors	554	(689)
Increase in creditors (excluding hire purchase and refundable deposits)	7,464	1,356
Decrease in provisions	-	(1)
Increase in refundable deposits	175	127
Net cash inflow from operations	7,845	4,084
21. ANALYSIS OF CASH AND CASH EQUIVALENTS		
	2024 £'000	2023 £'000
Cash in hand and instant access bank accounts	2,993	2,237
Notice and fixed term deposit accounts	46,657	46,304
	49,650	48,541

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2024

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

The School paid rent of £1,000 (2023: £1,000) to St Paul's Schools Foundation during the year.

Donations received from Governors without conditions during the year ended 31 August 2024 totalled £65,963 (2023: £35,773).

Veryan Exelby is a Governor of the School. She is a partner at Farrer & Co who provide legal services to the School. For the year ended 31 August 2024, total legal fees incurred for services provided by Farrer & Co were £62,546 (2023: £31,382). As at 31 August 2024, the amount due to Farrer & Co was £2,018 (2023: £750).

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of the School. The Directors of the company include Harold Hampson and Rupert Tate who are Governors of the School. During the year ended 31 August 2024, total costs of £131,722 (2023: £87,115) were charged by the School to the company under the Shared Resources Agreement between the two entities. These costs represented licence fees, a share of overhead costs (utilities, cleaning, security, telephone etc.) and salary costs. There were also further costs of £51,603 (2023: £56,517) paid by the School on behalf of the company. The balance due from the company to the School as at 31 August 2024 was £183,325 (2023: £143,632).

There are no other related party transactions for the years ended 31 August 2024 or 2023.

23. SUBSIDIARY UNDERTAKING

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of St Paul's School and is registered in England and Wales. The results of the company for the year ended 31 August 2024 were as follows:

	2024 £'000	2023 £'000
Turnover from continuing operations	435	299
Direct costs	(195)	(159)
	<u>240</u>	<u>140</u>
Administrative expenses	(5)	(5)
Operating profit	<u>235</u>	<u>135</u>
Gift aid payable to St Paul's School	(210)	(180)
	<u>25</u>	<u>(45)</u>
Profit brought forward	<u>35</u>	<u>80</u>
Retained in the subsidiary	<u>60</u>	<u>35</u>

At 31 August 2024 the company had net assets of £60,000 (2023: £35,000).

St Paul's School Enterprises Limited is a company limited by share capital registered in England, company number 12021201.

24. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total funds £'000
Income and endowments from:				
Charitable activities				
School fees receivable	38,747	-	-	38,747
Ancillary trading income	1,891	-	-	1,891
Other trading activities				
Non-ancillary trading income	158	-	-	158
Investments				
Investment income	163	212	-	375
Bank and other interest	1,660	-	-	1,660
Voluntary sources				
Donations and legacies	220	2,681	584	3,485
Total income	42,839	2,893	584	46,316
Expenditure on:				
Raising funds				
Financing costs	1,472	-	-	1,472
Investment management	96	-	-	96
Fundraising and development	352	-	-	352
Marketing and publicity	669	-	-	669
	2,589	-	-	2,589
Charitable activities				
Education and grant making	38,364	3,231	-	41,595
Total expenditure	40,953	3,231	-	44,184
Net income / (expenditure) from operations before investment gains and transfers	1,886	(338)	584	2,132
Net gains on investments	114	47	94	255
Transfers between funds	2	(3)	1	-
Net income / (expenditure)	2,002	(294)	679	2,387
Other recognised losses				
Pension scheme actuarial losses	(629)	-	-	(629)
Net movement in funds	1,373	(294)	679	1,758
Fund balances at 1 September 2022	111,527	6,948	4,614	123,089
Fund balances at 31 August 2023	112,900	6,654	5,293	124,847

Accounts

ST PAUL'S SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Registered Company Number: 06141973
Registered Charity Number: 1119619

ST PAUL'S SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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This has been a year of great activity across St Paul's, building on the strong foundations of the School and the planning undertaken last year. Whilst this has encompassed academic and co-curricular success, a key element has been the strong emphasis on School values across all School life. This sense of belonging and commitment to a shared code of behaviour has resulted in a cultural change in the School which was recognised when the School was named as Independent Boys' School of the Year 2023 in the Autumn term 2023. The School now feels part of a wider community, and this has been reflected in stronger links with West London partnership schools and with St Paul's Girls' School. Most pupils at both boys' and girls' schools now regularly participate in joint activities which is fostering stronger links among staff and pupils.

This last year has seen the School's partnership programs benefit from the additional teaching resources, partly funded by our donors, and partly from the School's resources, across different departments now being made available to our partner schools in addition to our summer school programs. This has complemented the growth in our online presence through Colet Mentoring and Primary Professor programs. It has also led to stronger links at pupil level with our partner schools which I know is becoming an important part of School life for our pupils.

The School has also started working more closely with local primary schools and we were very pleased to welcome Mark Tuffney, head of Lowther Primary School, to the Governing Body. Our relationship with our primary school neighbours is critical for our goal of increasing the numbers of applicants and acceptances for our bursary program. Our work on the bursary and partnership programs has been bolstered by the work of our Public Benefit Committee which for the first time has drawn together all of the many strands of the work and I am grateful to that committee for this important work.

On the academic front, the School's results, whilst returning to pre-pandemic levels, as seen across the independent school sector as a whole, have continued to be exceptionally strong with over 50% of all A level grades at A* and 87% of GCSE grades at 9 – 8. We are proud of the breadth of Pauline talent displayed by the Sixth Form: four pupils were amongst the highest performers nationally for Art and Design: Fine Art, while in Maths 89% of grades were a 9. The vertical tutor system is now fully bedded in after its suspension during lockdown and this sits well with the new structure of School houses overseen directly by the undermasters. The spirit of friendly rivalry in gaining house points (with results posted daily in the Atrium) has provided a welcome focus for School life outside the classroom. Sport goes from strength to strength with successes in Athletics, Cricket, Fives, Football, Rackets, Rowing, Rugby, Swimming and Tennis, while the U15 Basketball team and Ultimate Frisbee first team were both undefeated. Music continues to impress the Governors with a wide breadth of participation coupled with some truly extraordinary talent across the full musical spectrum from barber shop to baroque via jazz, swing and choral.

All of this has only been achieved through the hard work of both our academic and non-teaching staff and through the strong leadership from our executive team, led by the High Master. As always, I am grateful to them as well as to my fellow Governors for the success achieved by the School over the past year. But most importantly the achievements of the past year belong to our pupils who continue to impress the Governors with their enthusiasm as well as their attainments.



Richard Cassell
Chair of Governors

6 December 2023

STRATEGIC REPORT

OBJECTS, AIMS AND OBJECTIVES

Charitable 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; and
- To pursue the objects of the School by running a boys' school and only educate members of the opposite sex with the prior written consent of, and subject to, any restriction imposed by the Mercers' Company.

Aims and Intended Impact

The School has a strong academic tradition which it is committed to maintaining. The School aims to provide an excellent all-round education for able boys, which includes scholarship, breadth and balance in the curriculum, the highest standards of pupil welfare and a wide programme of varied sporting, artistic and extra-curricular activities.

In the furtherance of these aims the Governors, as the charity trustees, confirm that they have complied with the duty in Part 2(17) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit.

Aims of the School

- To provide an outstanding intellectual, spiritual and physical education, combining tradition with the best of the present, which prepares boys for their future.
- To honour John Colet's founding commitment that St Paul's is open to academically eligible boys, regardless of their economic or social circumstance.
- To foster a culture of scholarship, and to develop a spirit of enquiry and curiosity, through inspirational and responsive teaching.
- To provide a structure of individual and pastoral care that promotes a boy's independence, whilst fostering respect, kindness and service.
- To develop and maintain the School's facilities in order to ensure that the physical environment of St Paul's sustains the excellence of its education.
- To build substantive links with the local community through Pauline voluntary service, partnership programmes and the sharing of facilities.

Objectives to Achieve the Aims for the Year

The School's key objectives for the year and performance against them are shown below. These are shown under the three pillars of Education, Public Benefit and Finance and it is shown where some objectives relate to more than one pillar.

Education, Public Benefit and Finance

1. Grow collaboration between SPS and SPJ in order to build the 7 – 18 experience.
2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms for sharing this more widely.
3. Determine the future of boarding at the School.

Education and Finance

4. Determine the correct shape and structure of the School including boarding.
5. Have a continued review of staff workload and conditions to ensure we are an appropriate employer for the 21st century.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

6. Plan for employee wellbeing for the 21st century incorporating financial, mental, social, career and physical wellbeing.

Education

7. Further develop Character Education in the fabric of the School culture.
8. Continue to grow co-educational academic and co-curricular opportunities through collaboration particularly with SPGS but also other West London Partnership schools.
9. Complete the curriculum review and generate firm proposals for lesson length, structure of the School day and GCSE and A Level programmes.
10. Embed the new House and Tutor systems.
11. Ensure that Paulines get the fullest possible support and opportunity within the changing Higher Education landscape to achieve a place at their first-choice institution.

Public Benefit

12. Introduce a whole School approach to admissions attracting the best candidates, including scholars, in line with the nature of the London market.
13. Ensure we have an appropriate contextual admissions process for pupils of all backgrounds.
14. Develop a bursary strategy to reach suitable candidates for bursaries at all age groups.
15. Further develop the work with the West London Partnership and local primary schools, embed ourselves in the local community and measure the impact of our work.
16. Further develop work with the Associated Schools and College of the Mercers' Company and other partners in the UK and abroad, and measure the impact of our work.
17. Complete the £20m Shaping Our Future fundraising campaign and agree the direction for the next five years.
18. Continue to develop and sustain the St Paul's wider community of pupils, parents, former parents and alumni.

Finance

19. Establish a financial strategy that informs budgetary process and considers threats and changes to the sector.
20. Properly establish initiatives for commercial income, providing reliable income streams with potential for future growth.
21. Ensure budgetary and programme control of the SPJ redevelopment.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

The Education, Public Benefit and Finance objectives are well advanced particularly following the arrival of Oliver Snowball as the Head of SPJ in September 2022. Work across SPS and SPJ has continued to be cemented since then with closer collaboration at Core Strategy Group and Executive level and also at pupil level via the head boy / School captain teams. A clear vision statement, pillars and character traits have been agreed and are increasingly embedded. A multi-stage boarding strategy continues to be worked through with the ultimate aim of building a new boarding house.

There has been some progress on the Education and Finance objectives but there is still more work to do in terms of the longer-term model for pupil numbers and the SPJ rebuild, the curriculum review, lesson length and structure of the School day. There has been work carried out during the year around maternity pay, the teacher pay spine and pensions.

Substantial progress has been made on the Education objectives. The Head of Character Education is now embedded and character traits across the whole School have been established. Work with SPGS continues to grow and an MoU between the two schools is proposed. The new House and Tutor system has received strong feedback from staff, pupils and parents and a new strategy for careers is being pursued, including the recruitment of a new Head of US Admissions.

On the Public Benefit objectives, the Core Strategy Group with the Public Benefit Committee have developed an overarching strategy for bursaries and partnership work and have begun to implement it. A Head of Access has been recruited and there is ongoing work on admissions and recruiting bursary candidates. Additional staff have been recruited for September 2023 to significantly increase partnership work across SPS and SPJ. The Shaping Our Future fundraising campaign is concluding with over £19m raised and we continue to work with parents and alumni with a programme of in person and online events.

In terms of the Finance objectives, financial modelling has taken place to take into account external threats such as a change in government policy. These financial models are frequently shared with senior leaders and the Governors. The target for commercial income in 2022/23 has been hit and online enterprises continue to be explored. Monthly project meetings continue to be held on the SPJ rebuilding project with the involvement of the Governing Body.

ACTIVITIES

Review of Achievements and Performance for the Year

In addition to the specific aims and objectives for the year, below are some key outcomes in relation to the operational (educational) performance of the School.

Operational Performance of the School

In 2023, public examination results as a whole returned to pre-pandemic levels, as seen across the independent school sector. At A Level, 51% of grades awarded were A*, 85% were A* or A and 97% were A* to B. Of Paulines heading to university in 2023, 52% went to universities ranked in the world top 20. Of those heading to the UK, 98% went to Russell Group institutions and 54 took up places at Oxford and Cambridge. At GCSE and IGCSE, 62% of grades awarded were at Grade 9 and 87% were Grade 8 or 9.

Applications to the School at the main entry points of 7+, 11+, 13+ and 16+ remain very high. During the 2022/23 academic year, 143 pupils received bursary awards – around 9.5% of the School – with 95 being awarded more than 75% of fees. Over 50% of the current parent body donate to bursaries and pupils continue to fund raise for this programme. During the 2022/23 academic year, pupils elected to focus on local charities and to support the work of Great Ormond Street Hospital.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Operational Performance of the School (continued)

This was a year in which the School successfully remodelled its pastoral systems, with the re-introduction of vertical tutoring and the introduction of eight 'houses.' This has been hugely successful in terms of pupil interaction and providing continuity of care. Partnership work has also been a focus of attention with our resident particle physics course winning national awards and work with St Mary's Ukrainian school continuing to evolve. We also hosted a leadership course for the Mercers' Associated Schools and work with our sister school, St Paul's Girls' School, continues to grow.

In terms of the site, St Paul's Juniors decanted in October 2022 to a former Senior School science building, now re-named Ichthys, under the leadership of a new Head, Oliver Snowball. Plans for an entirely new Junior School are well underway to be completed in the latter half of 2025. The School also opened a new Performance Centre, with the intention of promoting general health and fitness for all, in addition to supporting our top athletes.

Outstanding Achievements 2022/23

For a full list of outstanding pupil achievements for the 2022/23 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

Principal Activities of the Year (including Public Benefit)

The total number of pupils at the School was 1,516, of whom 517 were at St Paul's Juniors and 999 at St Paul's (SPS). Of the total number, 143 (2022: 148) pupils were assisted with means tested bursaries. 66% (2022: 79%) of these awards were either full fee or higher than 75% of fees compared to 49 bursaries in total and 45% at the same level in 2015-16. The total means-tested bursaries for the year ended 31 August 2023 were £3,205,000 (2022: £3,271,000) representing 8.1% (2022: 8.8%) of gross School fees. Widening access to the School, through increased bursary support as necessary, remains a priority and, for the 2023/24 academic year, there are currently 129 pupils being assisted with means tested bursaries, with 80% of these awards being either full fee or higher than 75% of fees. The School's bursary awards, in addition to the main School fee, cover educational trips which form part of the curriculum, bus transport, iPads (where applicable), music tuition fees (where applicable), examination fees, books and School uniform.

Charitable Activities and Partnerships

Charity Partnerships

The St Paul's Charity Committee (made up of staff, parents and pupils), set up in June 2019, alongside the Pauls4All L8th student committee, have worked hard to fund raise for and increase awareness about our chosen local charities (City Harvest, (Friends of) Barnes Common, London Sports Trust and Doorstep), UK Charity of the Year (GOSH) and international charity (Beyond Ourselves).

The SPS Pauls4All Charity Committee for 2022-23 led a series of campaigns which were aimed at educating the School community about the charities we support, including panel discussions and talks during Pauls4All week and the inaugural charities convention. Mufti days were vital in relaying this message, and it was heart-warming to see parents and pupils respond by giving generously.

The total raised by students across SPS/SPJ during the academic year for partner charities is approximately £18,000.

School Partnerships

The School employs a full time Assistant Director of Partnerships and Service responsible for community relations and developing academic and sporting partnerships as well as promoting the use of School facilities within the local community. An overview of existing programmes is shown below. Well over 2,500 state school pupils have benefited compared to an annual number of approximately 1,500 pre COVID-19.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

Local School Partnerships 2022/23 (state school pupil numbers in brackets where available)

Academic Partnerships	Community/Sports Partnerships
Music String Day	Capsize Drills for local rowing clubs – 4 Clubs over 120 participants (throughout year)
Chemistry – Year 10 – 4 week Saturday programme (27)	Lowther School weekly swimming – 50 pupils every week (term time)
144 hours of online Oxbridge preparation for Year 13 (80)	Westside Basketball Club (305)
Residential Material Science School (30)	Barnes Children's Literary Festival (BCLF)
Residential Particle Physics School in partnership with Queen Mary's University (32)	Book club (100)
Latin Cohorts preparing for GCSE (3 year groups, Y9-11) (66)	8 events up to 100 children
Economics Trading Day February 2023 (60)	BCLF primary school programme (500+)
Biology – 3 week Saturday Programme (17)	World Cup Day Football June 2023 (96)
Exponentials Physics Y12 - 2 week Saturday (21)	Camp with Fulham Reach (Holiday Hunger) (60)
Physics Y10 2 weeks - how to build a Universe (42)	SPJ sport (football/pentathlon with local primaries (100)
First Medics Masterclasses – students applying to study medicine (8)	Regular fixtures with Fulham Boys and other WLP schools (200)
Humanities Conference October 2022 (40)	
Mercers STEM catch up and inspiration (4 days Easter holidays) (78)	
Primary Professors (100)	
Primary Latin (20)	
Links with St Mary's (London Ukraine school) (200)	
Start-It entrepreneurship (e.g. Y11 post GCSE; Y12 HFX trading (300)	

The above programmes generally take place at St Paul's, are run by SPS/SPJ staff and occur after school hours, at the weekend or during school holidays. Other major programmes, some in addition to the table of activities above, are highlighted below:

Colet Mentoring / SPS Online: The Colet Mentoring programme continues to be a popular choice for SPS pupils to volunteer. The mobile app, developed by two old Paulines, Phil and Dom Kwok, has enabled us to create a flexible volunteering programme for our pupils and partner schools' volunteers to connect with students not geographically close to us. Furthermore, it has allowed younger SPS pupils to get a taste of volunteering. For example, 20 of the 4th and 5th Form pupils spent time during their Wednesday lunch breaks supporting UK primary school students and Y9 and Y10 secondary school students in Somaliland in Maths, illustrating how SPS Partnerships works locally and globally. It is also a fantastic example of the old Paulines' work enriching the wider education of the current Paulines, showcasing how they continue to put the education they have received in service of others. During the last academic year, the platform hosted over 1,550 mentoring sessions and connected 150 mentors with 290 students who used the Colet app to get free academic support in STEM subjects. We are exploring linking this to more SPS content via a primary school outreach programme (Barnes' Numbers Nest) and eventually SPS Online.

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

West London Partnership: As part of the School's partnership strategy, this local private-state partnership was established formally in May/June 2020 with five independent schools and five local state schools. This partnership was established with the intent of fostering mutual growth and learning. Within this context, the Start-it Entrepreneurship programme was seamlessly integrated, featuring impactful events tailored to various year groups (Year 8 to 12) and even extending to alumni. This programme has become an integral facet of the partnership, augmenting existing collaborative and outreach initiatives. A notable recent achievement includes the hosting of the Start It Sustainable Entrepreneurship Course. Aimed at Year 11 pupils from our West London Partnership Schools, this course attracted the participation of over 200 enthusiastic individuals from seven different schools with this year's crown of Best Overall Concept going to Nature Nest, a company which aims to recycle the waste created by leftover tents at festivals.

Primary Professors: This was originally launched in 2021/22, re-branding what we did pre-COVID and expanding its length (three terms versus two) and range of subjects. During the course of the year, approximately 100 Y5 pupils from 30 local primaries have taken part in a range of academic enrichment lessons from STEM to Entrepreneurship and Philosophy. Around 20 Y12 pupils from SPS and SPGS volunteer on the programme and Y5s are given access to Colet Mentoring as part of the programme.

STEM Summer Schools: Two residential Physics Summer Boarding Schools on Particle Physics (in partnership with Queen Mary's University London) and Materials (in partnership with the Institute of Materials, Minerals and Mining) took place involving 62 Y10 students from around the country. This is funded by a donor parent who is also sponsoring the first bursary place that has been awarded from the course (L8th pupil who joined the School in September 2022).

Use of School Facilities by the Wider Community: Sporting clubs are run by both SPS staff and local volunteers, and offer young people a range of activities throughout the year. The School also lets out its facilities free of charge to local primary and secondary schools and charities, including Westside Basketball and Barnes Childrens' Literary Festival. Many local sports clubs also make use of our excellent sports facilities. Regular users are Barnes Swimming Club, Penguins Water Polo Club and Westside Basketball Club. New organisations we worked with this year, providing them with access to our facilities over the summer holiday, include Fulham Reach Rowing Club who collaborated with Queens Tennis Club and Three Pillars Basketball Club to deliver 'on land' skills sessions. We provided Chelsea Football Club Foundation access to our 3G pitch twice a week to provide 'non scouting' free football sessions for the local community

Volunteering

All L8th pupils volunteer in the Autumn and Spring Terms, usually with one of our partner schools or charities – an initiative linked with the PSHE and General Studies curriculum. Many pupils choose to continue during the Summer Term and all 8th Form pupils have the opportunity to volunteer as part of their Wednesday 'Games Half'. In addition, a selection of volunteering opportunities are made available to the 6th Form once they have completed their GCSEs, with around 80 students taking part in 2023. Throughout the School, there are also opportunities for students to volunteer online via Colet Mentoring, our peer-to-peer learning app, where student volunteers are able to mentor other students through academic challenges they might have. Alongside this, most 5th Form pupils regularly volunteer for their Duke of Edinburgh Award.

Alumni Activities

The School maintains contact with previous pupils mainly through The Old Pauline Club, which is independent but closely associated with the School. A number of social events are held during the year themed around professional interest groups or year of attendance. Current pupils and staff are invited to a number of these events.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School's energy usage and emissions for the year ended 31 August 2023, as prepared by an independent consultant, were as follows:

	2023	2022
UK energy use in kWh	5,976,203	6,934,241
Associated Greenhouse Gas emissions in Tonnes CO ₂	1,150	1,288
Intensity ratio (kilogram of CO ₂ per meter squared of gross internal area)	35.44	43.44

UK energy use covers all of the School's educational and operational activities. Associated Greenhouse Gas emissions have been calculated in accordance with the UK Government 2023 GHG conversion factors.

During the reporting year, the School has undertaken the following actions to improve its energy efficiency:

- Begun the second phase of the Building Management System upgrade, allowing for a more efficient use of the Heating, Ventilation and Air Conditioning (HVAC).
- Brought forward the automatic shutdown time of all School desktop computers from 8:00pm to 6:30pm.
- Introduced a paperless Computer Aided Facilities Management System, removing the need to print off 3 – 4,000 sheets of paper per annum, as was done previously.
- Shut-off or significantly reduced the heating to buildings that are not being used or have reduced staffing levels over the School holidays.
- Invested in low carbon technologies, with the purchase / lease of two electric vehicles and electric mowers and a proposal to exchange diesel equipment for electric is currently being drawn up.
- Both the Milton and the SPJ Music Buildings have received LED lighting upgrades. Old sodium fittings have been removed in the Sports Hall, Rackets area and the swimming pool. This will see a reduction in the School's electricity consumption.
- 17 employees have signed up to the cycle to work scheme. Whilst this is not quantified in this report, this will reduce the School's Scope 3 Category 7: commuting emissions.

FUTURE PLANS

The Governors' three to five-year objectives are listed below. These are again shown under the three pillars of Education, Public Benefit and Finance and it is shown where some objectives relate to more than one pillar.

Education, Public Benefit and Finance

1. Grow collaboration between SPS and SPJ in order to build the 7 – 18 experience.
2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms to share this more widely.
3. Determine the future of boarding at the School.

Education and Finance

4. Determine a clear framework for employees to be recruited, managed, developed and supported as needed for the future.

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

Education

5. Continue the growth of collaboration with SPGS.
6. Complete and implement the curriculum review.
7. Ensure higher education advice and support remains at a high standard and Paulines continue to access their first-choice institutions.
8. Continue to improve and better define the ways in which a St Paul's education attends to the broader social and moral development of our pupils, including better inculcating our School values and 'character' into the curriculum and promoting a concern for social justice.
9. Build upon year one of the new House system, seeking to refine it, and develop its contribution to the School pastoral culture.
10. Ongoing review and development of the SPS co-curricular provision through the completion and implementation of the Sports and Pupil Participation Reviews.

Public Benefit

11. Ensure that our admissions system and identify and attract potential Paulines from all areas of society.
12. Increase public benefit work with the West London Partnership, primary schools and others.
13. Establish the associated costs of the public benefit work once agreed and develop a fundraising campaign to deliver funds if needed. This will require strong community building and growth of alumni network activity.

Finance

14. Establish a financial strategy that considers budgetary processes and addresses threats to the sector.
15. Fully establish initiatives for commercial income.
16. Establish an estate plan for the future.

STRATEGIC REPORT (continued)

RISK MANAGEMENT

The Governing Body is responsible for identifying and addressing risks. Governors are aware of the need for prudent financial management, following the re-building of the senior school over the past decade. A commitment was made to parents that fees would not grow faster than inflation and a Future Estate Capital Fund was established to cover any need for replacement of buildings into the future. The COVID-19 pandemic saw the pause in building work but plans to rebuild the Junior School were set in motion again with the decant to the former senior school science building in Autumn 2022 put in place. Construction work on the new Junior School buildings is expected to commence later in 2023. The School is also seeking to improve sports facilities in the near future. Plans to establish new commercial income streams continue to be developed, including through lettings.

The Governors are aware of the possible challenges that the independent school sector could face were there to be a change of government at the next general election and are preparing for the challenges of possible changes in government policy regarding charitable tax reliefs. The Governors are also mindful of the continuing impact of high inflation and interest rates on household finances for our families and we will continue to monitor the situation very closely and offer support wherever possible.

A formal review of the School's risk management controls is performed annually but risk management is at the heart of all decision making. The Governors and executive staff regularly review and update procedures in order to identify and mitigate risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results are presented on pages 21 - 43 of this report. During the year there was a net increase in funds of £1,758,000 (2022: £2,707,000) bringing the total funds to £124,847,000 at 31 August 2023 (2022: £123,089,000). In addition to the School's operational surplus the main reasons for the increase in funds for the year were bursary donations, bank interest and investment income.

The School's main income is from fees. The total income of £46,316,000 (2022: £41,805,000) consists of unrestricted income of £42,839,000 (2022: £38,186,000), restricted income of £2,893,000 (2022: £2,119,000) and endowed income of £584,000 (2022: £1,500,000). The restricted income funded bursaries, scholarships and prizes. The unrestricted income, in addition to fees, includes bank interest, investment income, trading income, donations and legacies and other categories such as rents received.

Within total expenditure of £44,184,000 (2022: £39,591,000), educational costs were the largest category of expenditure at £24,249,000 (2022: £21,175,000) followed by premises costs at £8,516,000 (2022: £7,036,000).

The School's finances continued to be monitored very closely during the year, particularly as a result of the inflationary cost pressures, and remain in a strong position, with the unrestricted net income for the year before investment gains and transfers increasing from £1,702,000 in 2022 to £1,886,000.

Reserves Policy

The funds at the year-end totalled £124,847,000 (2022: £123,089,000) which included £112,900,000 of unrestricted funds (2022: £111,527,000), £6,654,000 of restricted funds (2022: £6,948,000) and £5,293,000 of endowed funds (2022: £4,614,000).

The Trustees have set a reserves policy which requires:

- a reserve of £5million to be maintained, separately from the School's working capital, to ensure the School can continue to pay salaries and creditors for three months with no additional income;
- a reserve to cover the cash required by the budgets formally committed to the rebuilding project;
- an agreed contribution to the now closed to new members and to future accrual defined benefit pension scheme for non-teaching staff at the School. This scheme is no longer in deficit as at 31 August 2023 but the School remains committed under the current recovery plan to make additional contributions of £789,000 in the 2023/24 financial year;

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Reserves Policy (continued)

- a contribution of £1,610,000 as at 31 August 2023 (2022: £1,550,000) out of the School's cash surpluses into a designated Future Estate Capital Fund dedicated to the long-term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. This annual contribution will rise to £2,260,000 by August 2026 and will then continue at that level into the foreseeable future;
- a commitment to set aside any remaining cash surpluses from each financial year after the above contribution to the Future Estate Capital Fund and Private Placement capital repayments towards future bursary awards and partnerships / public benefit work.

As at 31 August 2023, the School has negative free reserves of £20,819,000 after allowing for the above reserve of £5,000,000 and £1,610,000 Future Estate Capital Fund contribution which are both held in readily available cash. This reflects the substantial investment that the School is making, and will continue to make, in its buildings. The negative free reserves position is therefore expected to continue for the foreseeable future. However, the School has a very strong net current asset position of £43,951,000 (2022: £56,774,000). Therefore, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

Investment Policy

In accordance with the Memorandum and Articles of Association, the Governors have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The policy is for a low to medium risk investment approach. Two investment managers, Waverton Investment Management Limited and Rathbone Investment Management Limited, manage the investment of the School's endowed funds, restricted bursary funds, Kayton legacy funds and the Future Estate Capital Fund with the restrictions that no funds are to be placed in the following areas: pornography, armaments, gambling, tobacco and direct investment in fossil fuel stocks. The School also continues to hold short to medium term secure deposit accounts with UK banks. With the consent of the Finance Committee, the Finance Director may invest monies that will not be needed by the School at short notice. Investments are reported at every Finance Committee meeting. The policy is reviewed annually to ensure it remains in line with the School's objectives and prevailing economic conditions.

Investment Performance against Objectives

The market value of the School's investments at the end of the year was £21,874,000 (2022: £9,931,000). The School's investments are mainly in equities and funds. The value of the portfolios held with Waverton Investment Management Limited and Rathbone Investment Management Limited have increased by 6.47% and decreased by 1.59% respectively in capital terms. The difference in performance reflects the different mandate for each investment manager. This performance is below the benchmarks of CPI plus 4.50% for Waverton and CPI plus 3.00% for Rathbones. The performance of Waverton is consistent with market conditions during the year but the performance of Rathbones is disappointing and only on a par with an equivalent equity risk charity index.

Fundraising Practices

The 2022/23 academic year was the final year of the £20 million 'Shaping our Future' Campaign launched in May 2019. The 'Shaping our Future' initiative centres around three key areas of focus: Excellence without Exclusivity (widening access), Working in Partnership and Building to Inspire (the Sports Pavilion and the Boathouse - both of which will also support our agenda to increase our partnership work, and also diversify income). We have raised £19.46m including projected Regular Gifts. We were £470k below target on our bursary work this year and also under on partnership income, reflecting the fact that we have been without an Associate Director for the last year. This year also saw the launch of the ongoing Boathouse Campaign.

Our Partnership income is below target (£86.3k against a target of £125k for 2022/23). This is an improvement from last year, but unfortunately still short of the target. We currently have 63%* of our parent body supporting the campaign and 9% of alumni (against 50% and 7.6% in August 2022). The amounts being given however by these two constituency groups has shifted slightly from last year. 2021/22 saw 48% from parents and 44.3% from Old Paulines. 2022/23 saw 42% from parents and 52% from Old Paulines, although this skew can be explained by one OP's large donation. * this includes 2023 leavers' parents

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

On the capital front, we have £440k left to raise for the Sports Pavilion and an adjusted target of £2.7m to refurbish, rather than rebuild, the Boat House.

1. Fundraising Targets for Excellence without Exclusivity – Widening Access:

<u>Year</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>5 Year Total</u>
Target	£660,000	£1,320,000	£1,980,000	£2,640,000	£3,300,000	£9,900,000
Achieved	£2,085,763	£1,559,577	£3,730,299	£3,568,381	£2,831,319	£13,775,339

2. Fundraising Targets for St Paul's in Partnership, which includes: Pauline service in the community, Partner schools' programme, developing enterprise skills, building awareness of bursaries.

<u>Year</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>5 Year Total</u>
Target	£25,000	£125,000	£125,000	£125,000	£125,000	£525,000
Achieved	£13,750	£115,063	£72,993	£57,960	£86,330	£346,096

3. Fundraising Targets for Building to Inspire over the next five years

Original targets: Boathouse £7,000,000; Sports Pavilion £2,600,000; Total £9,600,000.

Adjusted targets: Boathouse £2,700,000; Sports Pavilion £2,600,000; Total £5,300,000.

Pavilion outstanding pledges	£1,750,000
Pavilion received 2022/23	£125
Pavilion received 2021/22	£62,659
Pavilion received 2020/21	£65,261
Pavilion received 2019/20	£7,306
Pavilion received 2018/19	£210,000
	<u>£2,095,351</u>
Boathouse received 2022/23	<u>£31,388</u>
	<u>£31,388</u>

Buffalo Fundraising Consultants were employed to support the infrastructure for the Telethon (September 2022) and the Giving Day (April 2023).

The planning and preparation for the next fundraising campaign is currently underway and more information will be shared once the details have been finalised.

The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices'. The School also adheres to the Code of Fundraising Practice and associated rulebooks and is a member of the Institute of Development Professionals in Education (IDPE). Various members of staff also have personal membership of the Institute of Fundraising.

There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation and the School received no complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) which came into effect in May 2018. As a school, we are fully compliant with GDPR and take our responsibilities seriously.

STRATEGIC REPORT (continued)

Companies (Miscellaneous Reporting) Regulations 2018

The Governors have promoted the success of the School by acting in good faith to assist the charitable company to meet its aims and objectives. Further detail on this can be found in the 'Objectives to Achieve the Aims for the Year' section of this report on pages 2 to 4.

Employees are involved in, and consulted about, a variety of School and workplace issues through a range of mechanisms. A range of detailed HR policies support the charitable and business objectives and ensure compliance with employment legislations. These are reviewed at least annually. A Joint Consultative Forum (JCF) is also in place, with representation from SPS and SPJ teaching staff and support staff. The JCF enables employees to raise issues with the Executive on a regular basis and the minutes of those meetings are viewed by the Governors.

The School provides various support mechanisms to promote the wellbeing of employees. These include a confidential Employee Assistance Programme, a chaplain, a medical centre, the provision of flu vaccinations, physiotherapy sessions, School counsellors and reimbursement for eyesight tests together with a contribution towards the cost of glasses.

In accordance with the Equal Opportunities Policy, the School seeks to treat all employees, all other members of the School community and any person visiting the School equally, regardless of their disability. The School expects all employees and all other members of the School community to comply with this policy. If an employee is disabled or becomes disabled during the course of employment, the School will endeavour to support the employee to as great an extent as possible.

STRUCTURE, GOVERNANCE AND MANAGEMENT

John Colet, Dean of St Paul's, founded St Paul's School in 1509 and placed the administration in the hands of The Mercers' Company. The School is a company limited by guarantee with charitable status (company number 6141973, registered charity number 1119619) which is governed by its Memorandum and Articles of Association. The Mercers' Company, a Livery Company, a body corporate formed by Royal Charter in 1394, is the sole member. The School has two linked charities, The St Paul's School General Charitable Trust (registered charity number 1119619-1) and St Paul's School Central Prize Fund (registered charity number 1119619-2) which hold the School's endowment funds.

Governing Body

The Governors of the School are the trustees of the charity and directors of the company. The Governors serving at the date of this report, and who served throughout the period 1 September 2022 until 31 August 2023 (except where otherwise stated), are:

Richard Cassell (*Chair*)

Tim Haynes (*Deputy Chair*)

Tom Adeyoola

Sarah Barker

Veryan Exelby (*Safeguarding Governor, Educational Visits Governor from 1 September 2022*)

Andrew Fenwick (appointed 1 September 2022)

Lord Grabiner QC (retired 31 July 2023)

Joanne Harris (*Health and Safety Governor from 31 October 2022*) (appointed 1 September 2022)

Harold Hampson

Samuel Newhouse

Alison Palmer (*Boarding Governor*)

Aisha Sanusi (*Inclusion Governor from 1 September 2022*)

Sarah Thomas

Rupert Tate (appointed 1 September 2022)

Mark Tuffney (appointed 31 October 2022)

Rt. Hon. Lord Vaizey

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

*Committees (Non Governors are marked with an *)*

Education Committee:

Sarah Thomas (*Chair*)

Tim Haynes

Rupert Tate (from 1 September 2022)

Mark Tuffney (from 31 October 2022)

Finance Committee:

Harold Hampson (*Chair*)

Richard Cassell

Andrew Fenwick (from 1 September 2023)

Tim Haynes (from 1 September 2022 until 31 August 2023)

Samuel Newhouse

Alison Palmer

Nominations and Remuneration Committee:

Alison Palmer (*Chair*)

Richard Cassell

Tom Adeyoola (from 1 September 2022)

Sarah Barker

Public Benefit Committee:

Samuel Newhouse (*Chair from 1 September 2022*)

Richard Cassell

Tom Adeyoola

Aisha Sanusi (from 1 September 2022)

Rt. Hon. Lord Vaizey (from 1 September 2022)

Safeguarding Committee:

Veryan Exelby (*Chair*)

Joanne Harris (from 1 September 2022)

Sarah Thomas

Nick Arnold *

Paul Doyle *

Clare Kelly *

Sam Madden *

Nick Watkins *

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key Management Personnel:

High Master:	Sally-Anne Huang
Surmaster, St Paul's:	Francis Clough
Head, St Paul's Juniors:	Oliver Snowball (from 1 September 2022)
Finance Director:	Steven Grace

Recruitment, Induction and Training of Governors

The existing Memorandum and Articles of Association state that there shall be a minimum of ten and a maximum of 16 Governors. Governors are selected by reference to their eligibility, personal competence and specialist skills which are mapped against the skills profile and needs of the whole Governing Body. On appointment Governors are given an induction pack and attend an induction at the School. During the course of the year further training is made available, and recommendations are made about suitable courses for Governors to attend.

Organisational Management

The Governors are responsible for the strategic direction, oversight and regulatory compliance of the School. The management of the School is delegated to the High Master supported by the Executive Management Team known as the Core Strategy Group. The Governing Body meets at least four times a year. The High Master attends the Governing Body meetings and reports on the management of the School.

The Governing Body has the following sub-committees:

- (a) *Education Committee*: monitors, reports to and advises the Board on the educational strategy of the School and its implementation to include the level and quality of education being provided;
- (b) *Finance Committee*: monitors and reviews all aspects of the School's financial performance, financial management, financial reporting arrangements, budgeting, financial systems and controls. The Committee is also responsible for the School's portfolio of investments, establishing and following the investment policy, making investment decisions, monitoring and oversight of the redevelopment of the School's buildings and managing the upkeep and maintenance of the School's residential property portfolio;
- (c) *Nominations and Remuneration Committee*: oversight of the selection, nomination and appointment of Governors, the High Master and the Finance Director and of recommendations on senior executive remuneration;
- (d) *Public Benefit Committee*: oversight of the development and delivery of open access to St Paul's through bursary provision and programmes of partnership activities; and
- (e) *Safeguarding Committee*: oversight of child protection and safeguarding matters including resourcing, training and an anonymised review of the School's response to cases.

All committees report to the Governing Body and are subject to terms of reference that outline the committee's remit and any delegated authority. The Chairman of the Governing Body has a right, which he exercises, to attend any committee of the Board. The High Master and senior staff attend committee meetings as required.

Key Management Remuneration

The Nominations and Remuneration Committee has delegated responsibility for determining the remuneration and benefits of the High Master and key management personnel, and takes advice and recommendations on the annual salary reviews or any package changes for the key management personnel, including reviewing appropriate salary benchmark information.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Regulation

The School is regulated by the Department for Education. It is a member of the Independent Schools Council and is inspected by the Independent Schools Inspectorate (ISI).

Registered Office and Advisors

Registered Office:	Lonsdale Road Barnes London SW13 9JT	
Legal:	Veale Wasbrough Vizards Central Court 255 Southampton Buildings Chancery Lane London WC2A 1AL	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 1AL
Auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Banking:	National Westminster Bank Plc 111 - 117 Putney High Street Putney London SW15 2LL	
Investment Management:	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Actuaries:	Barnett Waddingham 2 London Wall Place London EC2Y 5AU	XPS Pensions Group Tempus Court Onslow Street Guildford GU1 4SS
Insurance Broker:	Hettle Andrews & Associates Limited Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP	
Website: St Paul's School	www.stpaulsschool.org.uk	

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of St Paul's School for the purposes of charity and company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records 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 enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- so far as each Governor 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 Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITOR

Haysmacintyre LLP have indicated their willingness to be reappointed as statutory auditor.

The Governors' Report (including the Strategic Report) has been approved by the Board of Governors and signed on their behalf by:



Richard Cassell
Chair of Governors

6 December 2023

Opinion

We have audited the financial statements of St Paul's School for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of the net movement in funds, including the 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 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 Governors' 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 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the charitable company; or

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 17 the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019), and considered other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities, including the outcomes of inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant balances, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of 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.

Tracey Young

**Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors**

**10 Queen Street Place
London
EC4R 1AG**

Date: 20 December 2023

ST PAUL'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2023 £'000	Total 2022 £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	38,747	-	-	38,747	36,397
Ancillary trading income	3	1,891	-	-	1,891	1,073
Other trading activities						
Non-ancillary trading income	4	158	-	-	158	118
Investments						
Investment income		163	212	-	375	159
Bank and other interest		1,660	-	-	1,660	440
Voluntary sources						
Donations, legacies and grants	5	220	2,681	584	3,485	3,612
Other income						
Surplus on disposal of fixed assets		-	-	-	-	6
Total income		42,839	2,893	584	46,316	41,805
Expenditure on:						
Raising funds						
Financing costs	8	1,472	-	-	1,472	1,527
Investment management		96	-	-	96	45
Fundraising and development		352	-	-	352	369
Marketing and publicity		669	-	-	669	528
		2,589	-	-	2,589	2,469
Charitable activities						
Education and grant making		38,364	3,231	-	41,595	37,122
Total expenditure	7	40,953	3,231	-	44,184	39,591
Net income / (expenditure) from operations before investment gains / (losses) and transfers		1,886	(338)	584	2,132	2,214
Net gains / (losses) on investments	10	114	47	94	255	(839)
Transfers between funds		2	(3)	1	-	-
Net income / (expenditure)		2,002	(294)	679	2,387	1,375
Other recognised gains						
Pension scheme actuarial (losses) / gains	19	(629)	-	-	(629)	1,332
Net movement in funds		1,373	(294)	679	1,758	2,707
Reconciliation of funds						
Fund balances at 1 September 2022		111,527	6,948	4,614	123,089	120,382
Fund balances at 31 August 2023	18	112,900	6,654	5,293	124,847	123,089

The attached notes on pages 25 to 43 form an integral part of these financial statements.

All of the School's activities represent continuing operations.

See note 24 for the Statement of Financial Activities for the year ended 31 August 2022.

ST PAUL'S SCHOOL

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	2023 Unrestricted and restricted funds £'000	2022 Unrestricted and restricted funds £'000
Income from:		
Charitable activities		
School fees receivable	38,747	36,397
Ancillary trading income	1,891	1,073
Other trading activities		
Non-ancillary trading income	158	118
Investments		
Investment income	375	159
Bank and other interest	1,660	440
Voluntary sources		
Donations, legacies and grants - unrestricted	220	152
Donations, legacies and grants - restricted	2,681	1,960
Other income		
Surplus on disposal of fixed assets	-	6
Total income	45,732	40,305
Expenditure on:		
Raising funds		
Financing costs	1,472	1,527
Investment management	96	45
Fundraising and development	352	369
Marketing and publicity	669	528
	2,589	2,469
Charitable activities		
Education and grant making	41,595	37,122
Total expenditure	44,184	39,591
Net income before investment gains / (losses)	1,548	714
Net gains / (losses) on investments	161	(457)
Net income	1,709	257

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on page 21 and its presentation is required under the Companies Act 2006.

The attached notes on pages 25 to 43 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Tangible assets	9	112,938	110,233
Investments	10	21,874	9,931
		<u>134,812</u>	<u>120,164</u>
Current assets			
Stock		96	94
Debtors	11	2,160	1,471
Cash at bank and in hand		48,541	60,660
		<u>50,797</u>	<u>62,225</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(6,846)	(5,451)
Net current assets		<u>43,951</u>	<u>56,774</u>
Total assets less current liabilities		<u>178,763</u>	<u>176,938</u>
Creditors: amounts falling due after more than one year	13	(53,851)	(53,783)
Provisions for liabilities and charges	14	(65)	(66)
Net assets excluding pension liability		<u>124,847</u>	<u>123,089</u>
Pension scheme liability	19	-	-
Net assets		<u><u>124,847</u></u>	<u><u>123,089</u></u>
FUNDS			
Endowment funds	18	5,293	4,614
Restricted funds	18	6,654	6,948
Unrestricted funds	18	112,900	111,527
Total funds before pension reserve		<u>124,847</u>	<u>123,089</u>
Pension scheme funding reserve	18	-	-
Total funds		<u><u>124,847</u></u>	<u><u>123,089</u></u>

The financial statements were approved and authorised for issue by the Governors on 6 December 2023 and were signed below on its behalf by:



Richard Cassell
Chair of Governors



Harold Hampson
Chair of Finance Committee

The attached notes on pages 25 to 43 form an integral part of these financial statements.

ST PAUL'S SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023	2022
		£'000	£'000
Net cash inflow from operations			
Net cash provided by operating activities	20	4,084	3,799
Cash flows from investing activities			
Payments for tangible fixed assets	9	(7,097)	(4,400)
Proceeds from sale of tangible fixed assets		-	9
Payments for investments	10	(11,688)	(2,226)
Investment income and bank and other interest received		2,018	599
Net cash used in investing activities		(16,767)	(6,018)
Cash flows from financing activities			
New endowments		584	1,500
Repayment of obligations under hire purchase contracts		(20)	(20)
Net cash provided by financing activities		564	1,480
Change in cash and cash equivalents in the reporting period		(12,119)	(739)
Cash and cash equivalents at the beginning of the reporting period		60,660	61,399
Cash and cash equivalents at the end of the reporting period	21	48,541	60,660
Analysis of movements in net cash / (debt)			
		2022 £'000	Cash flows £'000
Cash at bank and in hand		60,660	(12,119)
Total cash and cash equivalents		60,660	(12,119)
Hire purchase contracts		(57)	20
Private Placement funding falling due after one year		(50,000)	-
Total		10,603	(12,099)

The attached notes on pages 25 to 43 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

Accounting basis

St Paul's School is a Public Benefit Entity. It is a company limited by guarantee registered in England and Wales (company number 06141973 incorporated on 6 March 2007) and a charity registered with the Charity Commission (charity number 1119619 registered on 12 June 2007). Its registered address is Lonsdale Road, Barnes, London, SW13 9JT.

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") – 2nd Edition effective 1 January 2019. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. There are considered to be no material uncertainties regarding the School's going concern status.

The School's wholly owned subsidiary, St Paul's School Enterprises Limited, was incorporated on 29 May 2019 with £1 of issued share capital. The company was dormant until 31 August 2021 and commenced trading on 1 September 2021. Consolidated accounts have not been prepared on the grounds that the activity is immaterial to the group. See note 23 for a summary of the company's results for the year ended 31 August 2023 and 2022.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. 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 affects current and future periods. The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 19.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

1. ACCOUNTING POLICIES (continued)

Fees and similar income

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

Rental and investment 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.

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

For legacies, entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable 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. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include financing, investment management, fundraising and development and marketing and publicity costs.

Grants

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

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Funds

The School has three types of funds:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the School.

1. ACCOUNTING POLICIES (continued)

Pension schemes

The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to St Paul's Schools' Non-Teaching Staff Pension Fund. The scheme is a defined benefit scheme in accordance with section 28 of FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to financing costs in the Statement of Financial Activities.
- Pension finance charges arising from similar changes are recognised as expenditure.
- Remeasurement gains and losses are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation. The defined benefit scheme is in a surplus position. However, it is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Details of the scheme assets and liabilities and major assumptions are shown in note 19.

Following the closure of the Non-Teaching Staff defined benefit scheme to new members and also to future accrual with effect from 1 January 2016, all Non-Teaching members of staff, unless they choose to opt out, contribute into a separate defined contribution scheme. Costs associated with this scheme are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Capitalisation and replacement

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.

Depreciation

Depreciation of assets is provided at rates to write off the cost over their estimated useful lives as follows:

- | | |
|--|----------|
| • School and residential buildings | 50 years |
| • Leasehold improvements | 20 years |
| • School and residential refurbishments | 10 years |
| • School equipment and musical instruments | 10 years |
| • Furniture and fittings | 4 years |
| • Vehicles and boats | 4 years |
| • Computers | 3 years |

Assets held under construction are not depreciated as the assets have not yet been brought into use. On completion the assets will be transferred to buildings and depreciated over their expected useful life.

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at cost. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sale proceeds and opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year-end and their opening carrying value. Realised and unrealised investment gains and losses are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

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, trade and fee debtors, other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and Private Placement funding. Financial liabilities measured at fair value comprise the pension scheme liability.

Stock

Stock representing books, stationery, padlocks and kitchen supplies, is stated at the lower of cost and estimated realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash and cash equivalents include cash and deposits with a short term maturity of 12 months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the School becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Where payments are eventually made, they are charged to the provision carried in the balance sheet.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2023	2022
	£'000	£'000
Fees receivable consist of:		
School fees	39,355	37,153
Less: total bursaries, grants and allowances	(3,673)	(3,681)
	<u>35,682</u>	<u>33,472</u>
Add: scholarships, grants, etc. received from restricted funds	3,065	2,925
	<u>38,747</u>	<u>36,397</u>
Included within total bursaries, grants and allowances are means-tested bursaries of £3,205,000 paid to 143 pupils (2022: £3,271,000 paid to 148 pupils). 66% (2022: 79%) of these awards were either full fee or higher than 75% of fees.		
3. CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME	2023	2022
	£'000	£'000
Fee extras (including School trips)	1,559	784
Entrance and registration fees	250	197
Tuck shop sales income	66	60
Commissions and other income	16	32
	<u>1,891</u>	<u>1,073</u>
4. OTHER TRADING - NON-ANCILLARY TRADING INCOME	2023	2022
	£'000	£'000
Hire of School facilities	29	47
Rental income	129	71
	<u>158</u>	<u>118</u>
5. DONATIONS, LEGACIES AND GRANTS	2023	2022
	£'000	£'000
Donations for:		
Bursaries	2,330	3,214
Prizes and other awards	3	-
Rebuilding fund	2	2
Other	652	251
	<u>2,987</u>	<u>3,467</u>
Legacies	498	145
	<u>3,485</u>	<u>3,612</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

6. STAFF COSTS	2023 £'000	2022 £'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	19,024	17,689
Social security costs	2,304	2,179
Pension costs:		
Defined contribution scheme	389	350
Defined benefit scheme	184	173
Teachers' Pension Scheme	2,873	2,766
Medical insurance	115	109
Consultancy costs	176	170
Contract staff costs	802	790
Recruitment costs	120	137
Other	29	25
	<u>26,016</u>	<u>24,388</u>

None of the Governors received any remuneration or other benefits (2022: none).

Aggregate employee benefits of key management personnel	1,012	1,034
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	2023 Number	2022 Number
--	------------------------	------------------------

The number of employees whose emoluments in the year exceeded £60,000 was:

£60,000 - £69,999	34	44
£70,000 - £79,999	55	54
£80,000 - £89,999	32	19
£90,000 - £99,999	8	6
£100,000 - £109,999	3	2
£120,000 - £129,999	3	2
£130,000 - £139,999	1	1
£140,000 - £149,999	1	1
£150,000 - £159,999	-	1
£190,000 - £199,999	1	1
£200,000 - £209,999	1	-
£290,000 - £299,999	-	1
£330,000 - £339,999	1	-

Of the above staff members 131 (2022: 126) have benefits accruing under defined benefit pension schemes and eight (2022: four) have benefits accruing under the defined contribution scheme. Employer's contributions for the defined benefit schemes were £2,365,559 (2022: £2,204,197) and for the defined contribution scheme were £44,168 (2022: £25,020).

The average number of the School's employees during the year calculated on a full time equivalent basis was 310 (2022: 308) and on a head count basis was 373 (2022: 383).

Full time equivalent basis	2023 Number	2022 Number
Teaching	202	199
Welfare	6	5
Premises	30	30
Support	64	62
Other	8	12
	<u>310</u>	<u>308</u>

6. STAFF COSTS (continued)

Head count basis	2023 Number	2022 Number
Teaching	237	231
Welfare	9	8
Premises	36	36
Support	82	92
Other	9	16
	<u>373</u>	<u>383</u>

7. ANALYSIS OF TOTAL EXPENDITURE

2023	Staff costs £'000	Other £'000	Depreciation £'000	Total 2023 £'000
Costs of raising funds				
Financing costs (note 8)	-	1,472	-	1,472
Investment management	-	96	-	96
Fundraising and development	218	134	-	352
Marketing and publicity	463	206	-	669
	<u>681</u>	<u>1,908</u>	<u>-</u>	<u>2,589</u>
Charitable activities				
Education	20,001	3,786	462	24,249
Welfare	370	1,981	27	2,378
Premises	2,168	3,347	3,001	8,516
Support costs and governance	2,796	425	-	3,221
Grants, awards and prizes	-	3,231	-	3,231
	<u>25,335</u>	<u>12,770</u>	<u>3,490</u>	<u>41,595</u>
Total expenditure	<u>26,016</u>	<u>14,678</u>	<u>3,490</u>	<u>44,184</u>
2022	Staff costs £'000	Other £'000	Depreciation £'000	Total 2022 £'000
Costs of raising funds				
Financing costs (note 8)	26	1,501	-	1,527
Investment management	-	45	-	45
Fundraising and development	321	48	-	369
Marketing and publicity	368	160	-	528
	<u>715</u>	<u>1,754</u>	<u>-</u>	<u>2,469</u>
Charitable activities				
Education	18,926	2,686	563	22,175
Welfare	303	1,753	11	2,067
Premises	2,061	2,054	2,921	7,036
Support costs and governance	2,383	354	-	2,737
Grants, awards and prizes	-	3,107	-	3,107
	<u>23,673</u>	<u>9,954</u>	<u>3,495</u>	<u>37,122</u>
Total expenditure	<u>24,388</u>	<u>11,708</u>	<u>3,495</u>	<u>39,591</u>

7. ANALYSIS OF TOTAL EXPENDITURE (continued)

Governance costs included in support costs:	2023 £'000	2022 £'000
Auditor's remuneration:		
For audit	40	36
For corporation tax	3	3
For employment tax advice	1	-
Staff costs	62	57
Legal and professional fees	257	204
Other	13	26
	<u>376</u>	<u>326</u>

The School has obtained permission from the Charity Commission to offer a scheme of redress in respect of the historic abuse allegations and ex-gratia payments totalling £1,036 were made during the year ended 31 August 2023 (2022: £Nil). See note 14 for further information.

Two Governors (2022: three) were reimbursed travel, accommodation and other expenses amounting to £242 during the year (2022: £982). Amounts paid directly to third parties on behalf of Governors during the year amounted to £12,756 (2022: £24,641). These expenses consisted of training costs, subscriptions, legal fees, catering costs for Board and sub-committee meetings, costs associated with the Governors' away day and entertainment costs on School business.

GRANTS, AWARDS AND PRIZES	2023 £'000	2022 £'000
From restricted and endowed funds		
Bursaries and other awards	3,120	2,983
Prizes and leaving awards	111	124
	<u>3,231</u>	<u>3,107</u>

8. FINANCING COSTS

	2023 £'000	2022 £'000
Private placement financing costs	1,458	1,458
Hire purchase interest	4	4
Net finance costs of defined benefit pension scheme	-	26
Provision for bad debts	10	39
	<u>1,472</u>	<u>1,527</u>

9. TANGIBLE ASSETS	Assets held under construction £'000	Charitable properties £'000	Furniture fittings & Equipment £'000	Vehicles and Boats £'000	Total £'000
Cost					
At 1 September 2022	5,839	120,611	5,163	786	132,399
Additions	5,709	695	637	56	7,097
Disposals	-	(1,654)	(218)	-	(1,872)
Transfers	(5,142)	4,898	244	-	-
At 31 August 2023	6,406	124,550	5,826	842	137,624
Depreciation					
At 1 September 2022	-	17,310	4,139	717	22,166
Charge for the year	-	2,905	548	37	3,490
Disposals	-	(753)	(217)	-	(970)
At 31 August 2023	-	19,462	4,470	754	24,686
Net book value					
At 31 August 2023	6,406	105,088	1,356	88	112,938
At 31 August 2022	5,839	103,301	1,024	69	110,233

As at 31 August 2023, the School has capital commitments of £1,051,311 (2022: £2,093,264) in relation to the School's rebuilding programme. The net book value of assets held under hire purchase contracts was £Nil (2022: £36,927). The depreciation charge for the year was £36,927 (2021: £40,284).

10. INVESTMENTS	2023 £'000	2022 £'000
Listed investments:		
Valuation at 1 September 2022	9,931	8,544
Additions at cost	11,688	2,226
Net gains / (losses) on investments	255	(839)
Valuation at 31 August 2023	21,874	9,931
Total investments at 31 August 2023	21,874	9,931
Investments comprise:		
Listed investments		
Equities	17,355	8,067
Bonds	1,865	463
Pooled investment vehicles	1,544	749
Cash holdings	1,110	652
Total investments at 31 August 2023	21,874	9,931
Cost of investments	20,759	9,071

Of the total investments of £21,874,000 (2022: £9,931,000), £8,355,000 (2022: £3,609,000) are held in the UK and £13,519,000 (2022: £6,322,000) are held overseas.

The School also has a £1 investment (2022: £1) in its subsidiary undertaking, St Paul's School Enterprises Limited, which was incorporated on 29 May 2019. The company commenced trading on 1 September 2021 and its results for the year ended 31 August 2023 and 2022 are shown in note 23.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

11. DEBTORS	2023 £'000	2022 £'000
Fees	7	-
Amounts owed by group undertakings	144	75
Sundry debtors	307	321
Prepayments and accrued income	1,702	1,075
	<u>2,160</u>	<u>1,471</u>
12. CREDITORS: due within one year	2023 £'000	2022 £'000
Trade creditors	993	1,267
Fees received in advance	1,513	1,129
Refundable deposits (note 15)	543	569
Hire purchase contracts (note 15)	20	20
Other taxes and social security costs	622	14
Other creditors	340	340
Accruals and deferred income	2,815	2,112
	<u>6,846</u>	<u>5,451</u>
Deferred income brought forward as at 1 September 2022 was £174,000 (2021: £159,000) and carried forward as at 31 August 2023 was £195,000 (2022: £174,000). This mostly related to advance School bus income received. The amount released to the Statement of Financial Activities in the year was £174,000 (2022: £159,000).		
13. CREDITORS: amounts falling due after more than one year	2023 £'000	2022 £'000
Fees received in advance	37	102
Refundable deposits (note 15)	3,797	3,644
Hire purchase contracts (note 15)	17	37
Private Placement funding	50,000	50,000
	<u>53,851</u>	<u>53,783</u>

On 7 June 2017, the School entered into a private placement arrangement with BAE Systems Pension Scheme for £15m of funding at a coupon rate of 2.3% towards the construction costs of Phase 2 of the General Teaching Building. Drawdown of the funds took place in June 2018 and the capital will be repaid over ten equal annual instalments of £1.5m commencing in 2028. On 12 March 2019, the School entered into a second private placement arrangement with The Prudential Insurance Company of America for £35m of funding at a coupon rate of 3.18% towards the construction costs of the next phases of the School masterplan which includes the rebuilding of the Junior School. Drawdown of the funds took place in March 2019 and the capital will be repaid over 14 equal annual instalments of £2.5m commencing in 2039.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2023 £'000	2022 £'000
As at 1 September 2022	66	100
Amounts utilised	(1)	(34)
As at 31 August 2023	65	66

Provisions for liabilities and charges of £65,000 as at 31 August 2023 (2022: £66,000) relates to the best estimate of legal costs to be incurred subsequent to the year-end in respect of the historic abuse allegations.

15. REFUNDABLE DEPOSITS AND HIRE PURCHASE CONTRACTS

	Refundable deposits		Hire purchase contracts	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
After 5 years	1,669	1,631	-	-
Between 2 to 5 years	1,573	1,539	-	17
Between 1 to 2 years	555	474	17	20
After more than 1 year	3,797	3,644	17	37
Within 1 year	543	569	20	20
	4,340	4,213	37	57

16. OPERATING LEASE COMMITMENTS

Operating leases that are subject to future minimum lease commitments are as follows:

	2023 £'000	2022 £'000
As Lessee:		
Less than 1 year		
Photocopiers	36	48
Franking machines	20	20
Computers	26	37
Minibuses	8	-
Land and buildings	1	1
Between 1 and 2 years		
Photocopiers	-	36
Franking machines	10	20
Computers	10	16
Minibuses	8	-
Land and buildings	1	1
Between 2 and 5 years		
Franking machines	-	10
Minibuses	24	-
Land and buildings	3	3
Over 5 years		
Land and buildings	754	755
	901	947

16. OPERATING LEASE COMMITMENTS
(continued)

	2023 £'000	2022 £'000
As Lessor:		
Less than 1 year		
Land and buildings	102	96
Between 1 and 2 years		
Land and buildings	44	-
Between 2 and 5 years		
Land and buildings	44	-
	<u>190</u>	<u>96</u>
Amounts charged / (credited) to Statement of Financial Activities:		
Photocopiers	48	48
Franking machines	20	20
Computers	37	30
Land and buildings - expenditure	1	1
Land and buildings – income	(111)	(69)
	<u>(111)</u>	<u>(69)</u>

17. ANALYSIS OF NET ASSETS

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

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities, provisions & pension deficit £'000	Total £'000
2023					
Endowment funds	-	5,194	99	-	5,293
Restricted funds	-	5,677	977	-	6,654
Unrestricted funds	112,938	11,003	42,875	(53,916)	112,900
	<u>112,938</u>	<u>21,874</u>	<u>43,951</u>	<u>(53,916)</u>	<u>124,847</u>
2022					
Endowment funds	-	4,600	14	-	4,614
Restricted funds	-	5,331	1,617	-	6,948
Unrestricted funds	110,233	-	55,143	(53,849)	111,527
	<u>110,233</u>	<u>9,931</u>	<u>56,774</u>	<u>(53,849)</u>	<u>123,089</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

18. FUNDS	Balance 1 September 2022 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2023 £'000
Endowed funds					
Scholarship funds	524	-	-	29	553
Bursary funds	3,738	584	-	75	4,397
Prize funds	352	-	-	(9)	343
	<u>4,614</u>	<u>584</u>	<u>-</u>	<u>95</u>	<u>5,293</u>
Restricted funds					
Bursaries	3,416	2,403	(3,120)	2	2,701
Scholarships	137	11	(6)	7	149
Prizes and other funds	1,726	477	(105)	37	2,135
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>6,948</u>	<u>2,893</u>	<u>(3,231)</u>	<u>44</u>	<u>6,654</u>
Unrestricted funds					
General reserve	109,977	42,658	(41,535)	(13,981)	97,119
Pension scheme funding reserve	-	17	612	(629)	-
Bursaries and partnerships fund	-	149	(27)	12,485	12,607
Future estate capital fund	1,550	15	(3)	1,612	3,174
	<u>111,527</u>	<u>42,839</u>	<u>(40,953)</u>	<u>(513)</u>	<u>112,900</u>
Total funds	<u>123,089</u>	<u>46,316</u>	<u>(44,184)</u>	<u>(374)</u>	<u>124,847</u>
COMPARATIVE FIGURES	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2022 £'000
Endowed funds					
Scholarship funds	546	-	-	(22)	524
Bursary funds	2,551	1,500	-	(313)	3,738
Prize funds	399	-	-	(47)	352
	<u>3,496</u>	<u>1,500</u>	<u>-</u>	<u>(382)</u>	<u>4,614</u>
Restricted funds					
Bursaries	4,940	1,879	(2,983)	(420)	3,416
Scholarships	138	8	(4)	(5)	137
Prizes and other funds	1,649	230	(120)	(33)	1,726
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>8,396</u>	<u>2,119</u>	<u>(3,107)</u>	<u>(460)</u>	<u>6,948</u>
Unrestricted funds					
General reserve	110,444	38,186	(37,106)	(1,547)	109,977
Pension scheme funding reserve	(1,954)	-	622	1,332	-
Future estate capital fund	-	-	-	1,550	1,550
	<u>108,490</u>	<u>38,186</u>	<u>(36,484)</u>	<u>1,335</u>	<u>111,527</u>
Total funds	<u>120,382</u>	<u>41,805</u>	<u>(39,591)</u>	<u>493</u>	<u>123,089</u>

18. FUNDS (continued)**Endowed funds**

Endowed funds are for scholarship, 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.

Restricted funds

The bursary and scholarship funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries and scholarships for pupils. Prize funds are for the costs associated with awarding the various prizes. The rebuilding fund was created for building programmes. The transfer from the rebuilding fund to the unrestricted general reserve of £2,000 (2022: £2,000) relates to the use of restricted donations towards the capital expenditure on buildings during the year.

Unrestricted funds

The bursaries and partnerships fund represents funds designated towards bursary awards and partnership work. The Kayton legacy proceeds of £9,206,000 were transferred to the fund together with amounts totalling £180,000 paid to the School under gift aid from St Paul's School Enterprises Limited and the School's remaining cash surplus for the year ended 31 August 2022 of £2,988,000. The future estate capital fund represents contributions transferred out of the School's cash surpluses towards the long term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. During the year ended 31 August 2023, a further contribution of £1,610,000 (2022: £1,550,000) was made.

19. PENSIONS**a) Non-Teaching Staff Pension Fund**

The School makes contributions to the St Paul's Schools Non-Teaching Staff Pension Fund, a defined benefit scheme in the UK. Since 1 November 2006, the scheme has been closed to new members and closed to future accrual on 1 January 2016. Contributions (including the expense allowance) for the year ended 31 August 2024 are expected to be £789,000. The disclosures shown below adopt the accounting standard FRS 102.

A full actuarial valuation of the scheme was carried out as at 31 August 2020 and has been updated to 31 August 2023 by a qualified independent actuary. The next full actuarial valuation is due as at 31 August 2023. The major assumptions used by the actuary were (in nominal terms) as follows:

	2023 %	2022 %
Discount rate	5.30	4.20
Inflation assumption (RPI)	3.30	3.40
Inflation assumption (CPI)	3.00	3.10
Rate of increase in salaries	3.00	3.10
5% LPI pension increase assumption	3.00	3.10
2.5% LPI pension increase assumption	2.30	2.30

Assumed life expectancies on retirement at age 60 are:

Retiring today	Males	24.5	25.1
	Females	28.4	29.1
Retiring in 20 years' time	Males	25.7	26.3
	Females	29.6	30.3

19. PENSIONS (continued)

The assets in the scheme and their values were:

	2023 £'000	2022 £'000
Equities	-	6,023
Liability driven investments	9,982	-
Cash and other assets	135	141
Secured pensions	103	157
Absolute return fund	959	5,541
Fair value of scheme assets	<u>11,179</u>	<u>11,862</u>

The actual return on assets over the period was

<u>(789)</u>	<u>(1,717)</u>
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The amounts recognised in the balance sheet are as follows:

	2023 £'000	2022 £'000
Present value of obligations	(10,407)	(11,772)
Fair value of scheme assets	<u>11,179</u>	<u>11,862</u>
Surplus in funded scheme	772	90
Adjustment for unrecognised asset	<u>(772)</u>	<u>(90)</u>
Net surplus in scheme	<u>-</u>	<u>-</u>

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2023 £'000	2022 £'000
Benefit obligation at beginning of year	11,772	15,400
Interest cost	483	242
Actuarial gains	(1,342)	(3,355)
Benefits paid (excluding expenses)	<u>(506)</u>	<u>(515)</u>
Benefit obligation at end of year	<u>10,407</u>	<u>11,772</u>

Reconciliation of opening and closing balances of the fair value of scheme assets

	2023 £'000	2022 £'000
Fair value of scheme assets at beginning of year	11,862	13,446
Interest income on scheme assets	500	216
Return on assets (excluding interest income)	(1,289)	(1,933)
Contributions by employers	789	789
Benefits paid (excluding expenses)	(506)	(515)
Scheme administrative cost (i.e. expenses paid)	<u>(177)</u>	<u>(141)</u>
Fair value of scheme assets at end of year	<u>11,179</u>	<u>11,862</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

19. PENSIONS (continued)

	2023	2022
	£'000	£'000
Amounts recognised in the Statement of Financial Activities		
Service cost – administrative cost (i.e. expenses paid)	177	141
Net interest on the net defined benefit liability	(17)	26
	<u>160</u>	<u>167</u>
	2023	2022
	£'000	£'000
Remeasurements of the net defined benefit liability to be shown in SOFA		
Actuarial gains on the liabilities	(1,342)	(3,355)
Return on assets (excluding interest income)	1,289	1,933
Surplus on scheme that is not recoverable	682	90
	<u>629</u>	<u>(1,332)</u>

The surplus linked to the defined benefit scheme is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Information about the type of scheme and funding policy

The scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to members' final salary at the date of leaving employment and their length of service up to the date on which the scheme closed to future accrual, 1 January 2016.

The scheme is a registered scheme under UK legislation and is subject to the scheme funding requirements outlined in UK legislation.

The scheme was established from 1 June 1989 under trust and is governed by the scheme's definitive trust deed and rules dated 5 July 2001. The trustees are responsible for the operation and governance of the scheme, including making decisions regarding the scheme's funding and investment strategy.

Information about the most recent actuarial valuation of the defined benefit obligation at the accounting date

The most recently completed formal actuarial valuation of the scheme was at 31 August 2020. This showed that on that date, the value of the technical provisions was £23.560m and the value of the assets was £17.542m, giving rise to a deficit of £6.018m.

The value of the liabilities has been estimated by updating the results of the actuarial valuation as at 31 August 2020 to allow for the passage of time, actual inflation experience, benefits paid out of the scheme and changes in actuarial assumptions over the period from 31 August 2020 to 31 August 2023.

Such an approach is normal for the purpose of accounting disclosures. It is not expected that these projections will be materially different from the summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the scheme at the accounting date and those included in the disclosures.

The next formal actuarial valuation of the scheme is due as at 31 August 2023.

b) Teaching Staff 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 £2,873,000 (2022: £2,766,000) and at the year-end £Nil (2022: £Nil) was accrued in respect of contributions to this scheme.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

19. PENSIONS (continued)

b) Teaching Staff Pension Scheme (continued)

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 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can elect to receive them from either the reformed or legacy schemes from 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation, have valued the 'greater value' benefits for groups of relevant members.

The Department for Education has announced that, with effect from 1 April 2024, the TPS employer contribution rate will increase from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

c) Defined Contribution Pension Scheme

The School pays into a defined contribution scheme for non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £389,000 (2022: £350,000). There were no contributions outstanding at the year-end (2022: £Nil).

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net income	2,387	1,375
Elimination of non-operating cash flows:		
Dividend income	(375)	(159)
Interest receivable	(1,643)	(440)
Endowment donations	(584)	(1,500)
Defined benefit pension scheme adjustments	(629)	(622)
Depreciation charge	3,490	3,495
(Gains)/losses on investments	(255)	839
Losses/(surpluses) on disposal of tangible fixed assets	902	(6)
Increase in stock	(2)	-
Increase in debtors	(689)	(394)
Increase in creditors (excluding hire purchase and refundable deposits)	1,356	1,049
Decrease in provisions	(1)	(34)
Increase in refundable deposits	127	196
Net cash inflow from operations	4,084	3,799

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £'000	2022 £'000
Cash in hand and instant access bank accounts	2,237	8,312
Notice and fixed term deposit accounts	46,304	52,348
	48,541	60,660

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2023

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

The School paid rent of £1,000 (2022: £1,000) to St Paul's Schools Foundation during the year.

Donations received from Governors without conditions during the year ended 31 August 2023 totalled £35,773 (2022: £27,470).

Veryan Exelby is a Governor of the School. She is a partner at Farrer & Co who provide legal services to the School. For the year ended 31 August 2023, total legal fees incurred for services provided by Farrer & Co were £31,382 (2022: £29,545). As at 31 August 2023, the amount due to Farrer & Co was £750 (2022: £3,925).

During the year ended 31 August 2022, a donation of £750 (2023: £Nil) was made to a school affiliated to the Mercers' Company in support of a fundraising campaign.

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of the School. The Directors of the company include Harold Hampson and Rupert Tate who are Governors of the School. During the year ended 31 August 2023, total costs of £87,115 (2022: £64,205) were charged by the School to the company under the Shared Resources Agreement between the two entities. These costs represented licence fees, a share of overhead costs (utilities, cleaning, security, telephone etc.) and salary costs. There were also further costs of £56,517 (2022: £10,579) paid by the School on behalf of the company. The balance due from the company to the School as at 31 August 2023 was £143,632 (2022: £74,783).

There are no other related party transactions for the years ended 31 August 2023 or 2022.

23. SUBSIDIARY UNDERTAKING

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of St Paul's School and is registered in England and Wales. The results of the company for the year ended 31 August 2023 were as follows:

	2023 £'000	2022 £'000
Turnover from continuing operations	299	153
Direct costs	(159)	(71)
	<u>140</u>	<u>82</u>
Administrative expenses	(5)	(2)
Operating profit	<u>135</u>	<u>80</u>
Gift aid payable to St Paul's School	(180)	-
	<u>(45)</u>	<u>80</u>
Profit brought forward	<u>80</u>	-
Retained in the subsidiary	<u>35</u>	<u>80</u>

At 31 August 2023 the company had net assets of £35,000 (2022: £80,000).

St Paul's School Enterprises Limited is a company limited by share capital registered in England, company number 12021201.

24. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total funds £'000
Income and endowments from:				
Charitable activities				
School fees receivable	36,397	-	-	36,397
Ancillary trading income	1,073	-	-	1,073
Other trading activities				
Non-ancillary trading income	118	-	-	118
Investments				
Investment income	-	159	-	159
Bank and other interest	440	-	-	440
Voluntary sources				
Donations and legacies	152	1,960	1,500	3,612
Other income:				
Surplus on disposal of fixed assets	6	-	-	6
Total income	38,186	2,119	1,500	41,805
Expenditure on:				
Raising funds				
Financing costs	1,527	-	-	1,527
Investment management	45	-	-	45
Fundraising and development	369	-	-	369
Marketing and publicity	528	-	-	528
	2,469	-	-	2,469
Charitable activities				
Education and grant making	34,015	3,107	-	37,122
Total expenditure	36,484	3,107	-	39,591
Net income / (expenditure) from operations before investment (losses) / gains and transfers	1,702	(988)	1,500	2,214
Net losses on investments	-	(457)	(382)	(839)
Transfers between funds	3	(3)	-	-
Net income / (expenditure)	1,705	(1,448)	1,118	1,375
Other recognised losses				
Pension scheme actuarial gains	1,332	-	-	1,332
Net movement in funds	3,037	(1,448)	1,118	2,707
Fund balances at 1 September 2021	108,490	8,396	3,496	120,382
Fund balances at 31 August 2022	111,527	6,948	4,614	123,089

Accounts

ST PAUL'S SCHOOL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Registered Company Number: 06141973
Registered Charity Number: 1119619

ST PAUL'S SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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This year the School has returned to in person learning and all of the wide range of Pauline activities have resumed. Paulines achieved great success in the academic area with consistently excellent exam results and the level of admissions to Oxford, Cambridge and Russell group universities in the UK has been maintained or improved. We have seen increasing numbers of Paulines crossing the Atlantic to study in top universities in the US which reflects the increasing dominance of US universities in the world.

Away from their studies, the pupils have achieved excellence on the sporting field with wins in a range of sports: in cricket, the U15A won the County Championship; in racket sports George Livesey and Oliver Hatfield won the National Pairs Championships; and in football there was a narrow loss to Dulwich in our first visit to the Semi-Finals of the London cup. The rugby team had a more challenging season but did finish on a high note beating Dulwich in a tight game at the end of the season. Other sports such as aquatics, squash, tennis and athletics also had their share of success. Finally, the school had great success on the river, when the St Paul's team won the Princess Elizabeth cup, for the third time in seven years. The return to school has also marked the resumption of a vigorous programme of musical and artistic productions with many concerts, a particular highlight being the playing of Sibelius' Fifth symphony, often deemed too challenging for school orchestras, as well as a joint SPS-SPGS Bands night. On the stage the School put on several productions including King Lear, Harold Pinter's Party Time, the SPJ play the Fall of Troy and an unforgettable adaption of The Rivals. A full listing of pupil achievements and other news can be seen on the website (<https://www.stpaulsschool.org.uk/about-st-pauls/news/>)

The School's governance has continued to develop and we were pleased to welcome three new Governors, Old Paulines Tom Adeyoola and Lord Vaizey, who currently serves as president of the Old Pauline Club, and Aisha Sanusi, who has kindly volunteered to be our Inclusion Governor. Our governance was reviewed by AGBIS in November 2021 who affirmed that the School has an excellent standard of governance with high standards of expertise and time commitment. The Governors met for a strategic session in May 2022, led by the Executive, which built on the three pillars of Finance, Education and Public Benefit. The finances of the School remain strong and this has enabled the School to continue to support the partnership work and bursary programme, whilst limiting fee increases to 3.5% in line with the School's commitment to keeping fee increases within the rate of inflation. The School was able to make its first contribution to a fund to secure the future physical School estate, so that we hope to enable future generations to refresh the campus without the need for large scale fund raising or borrowing.

The work of the School in the public benefit area is developing strongly and there were over 2,000 virtual Colet Mentoring sessions offered, along with Science summer schools, Saturday morning Maths programmes and Science enrichment. The number of bursaries grows and the School is looking to continue to build its community links. The Governors are proud of the School's strong response to the Ukraine crisis and its links to St Mary's, the Ukrainian school in London.

The High Master, the Surmaster and the Executive have led the development of the pastoral structures of the School with a return to the vertical tutoring system, so that a pupil will join a tutor group with pupils from different years and remain in the group for his time at School. This was enhanced with stronger pastoral support. The School has commenced a curriculum review and developed an inclusion framework to support further development in that area. The School continues to build a strong framework of school values, in cooperation with St Paul's Girls' School, enhancing the work started last year in response to "Everyone's Invited". Safeguarding continues to be a priority area for the School with annual audits and continuous improvement.

The Governors and Executive recruited a new Head of St Paul's Juniors, Oliver Snowball, and the Deputy Head, Nick Arnold, led a successful transition from our former Head acting as Interim Head for part of the year. The development of the St Paul's Juniors estate has now started with the decant into the new Ichthys building after the October 2022 remedy.

The High Master and the Executive set challenging goals last year for the development of the School's academic leadership and strengthening extra-curricular activities and this has been a year of steady progress towards these ends. The Governors and Executive continue to be proud of the outstanding teaching faculty who continue to set the highest standards for the pupils and for the School community. The Governors have benefited from regular faculty updates and it has been exciting for Governors once again to visit the School in person and feel the buzz around the School campus.



Richard Cassell
Chair of Governors

8 December 2022

STRATEGIC REPORT

OBJECTS, AIMS AND OBJECTIVES

Charitable 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; and
- To pursue the objects of the School by running a boys' school and only educate members of the opposite sex with the prior written consent of, and subject to, any restriction imposed by the Mercers' Company.

Aims and Intended Impact

The School has a strong academic tradition which it is committed to maintaining. The School aims to provide an excellent all-round education for able boys, which includes scholarship, breadth and balance in the curriculum, the highest standards of pupil welfare and a wide programme of varied sporting, artistic and extra-curricular activities.

In the furtherance of these aims the Governors, as the charity trustees, confirm that they have complied with the duty in Part 2(17) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit.

Aims of the School

- To provide an outstanding intellectual, spiritual and physical education, combining tradition with the best of the present, which prepares boys for their future.
- To honour John Colet's founding commitment that St Paul's is open to academically eligible boys, regardless of their economic or social circumstance.
- To foster a culture of scholarship, and to develop a spirit of enquiry and curiosity, through inspirational and responsive teaching.
- To provide a structure of individual and pastoral care that promotes a boy's independence, whilst fostering respect, kindness and service.
- To develop and maintain the School's facilities in order to ensure that the physical environment of St Paul's sustains the excellence of its education.
- To build substantive links with the local community through Pauline voluntary service, partnership programmes and the sharing of facilities.

Objectives to Achieve the Aims for the Year

The School's key objectives for the year and performance against them are shown below:

Education: Academic and Pastoral

1. Embed Character Education in the fabric of the School culture.
2. Grow co-educational academic and co-curricular opportunities through collaboration with St Paul's Girls' School (SPGS) and other schools.
3. Maximise the percentage of Paulines achieving a place at their first-choice Higher Education institution.
4. Develop the curriculum to promote appropriate choice, opportunity, support and achievement for all pupils.
5. Continue to review and develop the School's pastoral care structures and safeguarding systems.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

Admissions and Accessibility

6. Introduce a whole School approach to admissions attracting the best candidates, including scholars, in line with the changing nature of the London market.
7. Base the bursary offer on sound principles of a wholly inclusive package of support to those most in need.
8. Provide a transformational educational experience for bursary pupils.
9. Establish the School as a sector leader in partnership work, delivering accountable public benefit and driving interest in admissions and bursaries.
10. Deliver on the annual target for the Shaping Our Future campaign with continued high level of engagement of parents and Old Paulines.
11. Strengthen Old Pauline Relations.
12. Deliver a comprehensive programme of events and engagement to build the community.

Financial Security

13. Establish a financial strategy that informs budgetary process and assures long-term financial security.
14. Properly establish initiatives for commercial income, providing reliable income streams with potential for future growth.
15. Maximise income generation from boarding, understanding its pastoral function will always take priority.
16. Ensure that building programmes deliver modern spaces fit for purpose enabling the highest quality, inspirational teaching and buildings.

All objectives under the Academic and Pastoral pillar are well advanced and considered and will see further fulfilment over the 2022/23 academic year. Key highlights have been the appointment of a Head of Character Education and Head of Inclusion across the School, the setting up of working parties on GCSE and A Level choices, scholarship and lesson length, and a complete review and restructure of the tutoring system.

There has been progress on the objectives under the Admissions and Accessibility pillar but there is still more work to do especially in relation to bursaries and partnerships from a fully strategic perspective. The fundraising components are advanced and moving in a successful direction.

There has been significant work on the objectives in the Financial Security pillar during the year and the overall financial needs of the School are considered in all aspects of decision making. Plans for the rebuilding of SPJ are well underway, West House has opened up as an additional flexi-boarding house and St Paul's School Enterprises Limited commenced trading. The progress in this area will develop further into the 2022/23 academic year.

STRATEGIC REPORT (continued)

ACTIVITIES

Review of Achievements and Performance for the Year

In addition to the specific aims and objectives for the year, below are some key outcomes in relation to the operational (educational) performance of the School.

Operational Performance of the School

In 2022, public examinations returned after a two year pause in response to the global pandemic. At A Level and Pre-U, 70% of grades awarded were A* (or equivalent) and 96% were A* or A (or equivalent). This second figure was slightly higher than the 2021 Teacher Assessed Grades in contrast to a national decline in results. Of Paulines heading to university in 2022, 43% went to universities ranked in the world top 20. Of those heading to the UK, 96% went to Russell Group institutions and 42 took up places at Oxford and Cambridge. At GCSE and IGCSE, 76% of grades awarded were at Grade 9 and 94% were Grade 8 or 9.

Applications to the School at the main entry points of 7+, 11+, 13+ and 16+ remain very high. During the 2021/22 academic year, 148 pupils received bursary awards – around 10% of the School – with 117 being awarded more than 75% of fees. Over 50% of the current parent body donate to bursaries and pupils continue to fund raise for this programme. During the 2021/22 academic year, pupils elected to focus on charities working for female causes specifically in their charitable activities.

This was a year when the School placed particular focus on Character Education with the appointment of a Head of Character Education, working closely with the pupil Values Committee. PSHE was expanded and plans were developed for further growth. The School experienced a successful ISI compliance inspection in November 2021 which covered these areas amongst others. The first Head of Inclusion also joined the School in September 2021. Activities beyond exam work continue to thrive with pupils frequently awarded external prizes for academic writing. Music and theatre re-opened fully during the 2021/22 academic year and sporting highlights included the U15 cricket team winning the Middlesex Cup and the first VIII winning the Princess Elizabeth Challenge Cup at Henley.

Work with the West London Partnership continued to expand, as did the provision of co-educational experiences for pupils through events shared with St Paul's Girls' School. Successful summer schools focused on closing the 'COVID-gap' for state school pupils as did expansion of the Colet Mentoring app, offering peer to peer support in Maths.

Outstanding Achievements 2021/22

For a full list of outstanding pupil achievements for the 2021/22 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

Principal Activities of the Year (including Public Benefit)

The total number of pupils at the School was 1,480, of whom 504 were at St Paul's Juniors and 976 at St Paul's (SPS). Of the total number, 148 (2021: 130) pupils were assisted with means tested bursaries. 79% (2021: 80%) of these awards were either full fee or higher than 75% of fees compared to 49 bursaries in total and 45% at the same level in 2015-16. The total means-tested bursaries for the year ended 31 August 2022 were £3,271,000 (2021: £2,698,000) representing 8.8% (2021: 7.4%) of gross School fees. Widening access to the School, through increased bursary support as necessary, remains a priority and, for the 2022/23 academic year, there are currently 142 pupils being assisted with means tested bursaries, with 67% of these awards being either full fee or higher than 75% of fees. The School's bursary awards, in addition to the main School fee, cover educational trips which form part of the curriculum, bus transport, iPads (where applicable), music tuition fees (where applicable), examination fees, books and School uniform.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships

Charity Partnerships

The St Paul's Charity Committee (made up of staff, parents and pupils), set up in June 2019, has worked hard to fund raise for and increase awareness about our chosen local charities (City Harvest, Friends of Barnes Common, London Sports Trust and Doorstep), UK Charity of the Year (Womens' Aid) and international charities (Beyond Ourselves and Senahasa Trust). Pre-COVID trips to visit link school charities in Zambia and Sri Lanka have not yet re-started.

The SPS Pauls4All Charity Committee for 2021-22 led a series of campaigns which were aimed at educating the School community about the charities we support, including panel discussions and talks during Pauls4All week. Mufti days were vital in relaying this message, and it was heart-warming to see parents and pupils respond by giving generously. The most visible event this year was the whole School charity walk for Womens' Aid, raising over £12k. The total raised by students across SPS/SPJ during the academic year for partner charities is expected to be approximately £20k.

Separately, boys and other members of the community are encouraged to fund raise for their own causes. Special mention goes to one L8th pupil who led a team of his peers in raising over £20k for the Ukraine Crisis, which was generously matched by a donor.

School Partnerships

The School employs a full time Assistant Director of Partnerships and Service responsible for community relations and developing academic and sporting partnerships as well as promoting the use of School facilities within the local community. An overview of existing programmes is shown below:

Local School Partnerships 2021/22 (state school pupil numbers in brackets where available)

Academic Partnerships	Community / Sports Partnerships
Chemistry – Year 10 – 4 week Saturday programme (27) 144 hours of online Oxbridge prep for Year 13 (150) Residential Material Science School (30) Residential Particle Physics School in partnership with Queen Mary's University (32) Latin Cohorts preparing for GCSE (Y9-11) (42) Economics Trading Day February 2022 (60) Biology – 3 week Saturday Programme (17) Exponentials Physics Y12 - 2 week Saturday (21) Physics Y10 - 2 weeks - how to build a Universe (42) SPS MUN – Model United Nations weekend University Day Online – advice about university applications (200) First Medics Masterclasses – students applying to study medicine (17) One day online Medical Conference June 2022 (50) Humanities Conference June 2022 (40) Mercers STEM catch up and inspiration (4 days Easter and Summer holidays) (70) Primary Professors (100) Primary Latin (36) Links with St Mary's (London Ukraine school) (100) Start-It entrepreneurship (e.g. Y11 post GCSE; Y12 HFX trading) (300) Music String Day cancelled due to COVID-19	Capsize Drills for local rowing clubs – 3 clubs over 100 participants (throughout year) Lowther School weekly swimming – 50 pupils every week (term time) FiSH Concert - December 2022 (cancelled due to COVID) Westside Basketball Club Castelnau Community Centre Homework Club Barnes Literary Festival book club 5 events up to 100 children World Cup Day Football June 2022 (50) Chance to Shine Cricket Day June 2022 (30) Secondary School (PRUs) Rugby with Dallaglio Rugbyworks charity State schools sports day provisions Rowing Camp with Fulham Reach (Holiday Hunger) SPJ sport - football/pentathlon with local primaries (90) Regular fixtures with Fulham Boys and other West London Partnership schools (100F)

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

The above programmes generally take place at St Paul's, are run by SPS/SPJ staff and occur after school hours, at the weekend or during school holidays. Other major programmes, some in addition to the table of activities above, are highlighted below:

Colet Mentoring: In partnership with Ed-Tech start-up EasyA, St Paul's has developed a first of its kind peer learning app to support with COVID catch up and beyond. Over 3,500 sessions (average length 20 - 30 minutes) have been run on the platform with around 30 schools involved across the UK and as far afield as South Sudan. Around 500 'mentees' (Y5 -11) and a similar number of 'mentors' (Y12) have been involved so far.

Google Classroom Mentoring Maths, Science & Modern Foreign Languages: During the year SPS pupils supported Fulham Boys' School, Christ's School and Hammersmith Academy with support in Maths, Science and Modern Foreign Languages live on Google Classroom. Around 60 SPS L8th pupils supported 60 younger partnership pupils whilst they worked through Maths and Science questions. Classes were supervised by SPS staff and maintained school staff to comply with School policy.

West London Partnership: As part of the School's partnership strategy, this local private-state partnership was established formally in May/June 2020 with five independent schools and five local state schools. The Start-it Entrepreneurship programme, with meaningful events for Y8 -12 and for alumni has been embedded into the partnership as well as much of the existing partnership and outreach work.

Primary Professors: This was launched in 2021/22, re-branding what we did pre-COVID and expanding its length (three terms versus two) and range of subjects. During the course of the year, around 100 Y5 pupils from 30 local primaries have taken part in a range of academic enrichment lessons from STEM to Entrepreneurship and Philosophy. Around 20 Y12 pupils from SPS and SPGS volunteer on the programme and Y5 pupils are given access to Colet Mentoring as part of the programme.

STEM Summer Schools: Two residential Physics Summer Boarding Schools on Particle Physics (in partnership with Queen Mary's University London) and Materials (in partnership with the Institute of Materials, Minerals and Mining) took place involving 62 Y10 students from around the country. In addition, another 512 participants signed up for the virtual part of the course from around a dozen countries. This is funded by a donor parent who is also sponsoring the first bursary place that has been awarded from the course (L8th pupil who joined the School in September 2022).

Use of School Facilities by the Wider Community: Sporting clubs are run by both SPS staff and local volunteers, and offer young people a range of activities throughout the year. The School also lets out its facilities free of charge to local primary and secondary schools and charities. A full list of activities is posted on the School website, and includes: Westside Basketball and Barnes Childrens' Literary and Music Festivals. Many local sports clubs also make use of our excellent sports facilities. Regular users are Barnes Swimming Club, Penguins Water Polo Club and Westside Basketball Club. The process and scope for this is currently being reviewed with the Operations Director.

Volunteering

All L8th pupils undertake a meaningful amount of volunteering in the Autumn and Spring terms, as part of the 'Friday afternoon' L8th programme (linked with PSHE/General Studies). Volunteering usually takes place at or with one of our partner charities or schools mentioned above. Many continue during the Summer term as 'true' volunteers. All 8th formers have the opportunity to do voluntary service as part of their Wednesday games half (5-10 do it each term) and most of the 5th Form undertake volunteering activities as part of their Duke of Edinburgh Award.

Alumni Activities

The School maintains contact with previous pupils mainly through The Old Pauline Club, which is independent but closely associated with the School. A number of social events are held during the year themed around professional interest groups or year of attendance. Current pupils and staff are invited to a number of these events.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School's energy usage and emissions for the year ended 31 August 2022, as prepared by an independent consultant, were as follows:

	2022	2021
UK energy use in kWh	6,934,241	7,376,221
Associated Greenhouse Gas emissions in Tonnes CO ₂	1,288	1,435
Intensity ratio (kilogram of CO ₂ per meter squared of gross internal area)	43.44	48.41

UK energy use covers all of the School's educational and operational activities. Associated Greenhouse Gas emissions have been calculated in accordance with the Defra 2022 conversion sets methodology.

The School has contracted 100% Renewable Energy Guarantees of Origin (REGO) backed electricity across all School electricity supplies in a positive shift towards reducing Greenhouse Gas emissions. The non-half-hourly electricity meters are being upgraded to smart meters in a bid to visualise energy consumption, identify potential waste and reduce consumption.

Gas metering has been equipped with Automatic Meter Reader (AMR) data collection, with only two of the domestic meters yet to be fitted with AMR. This will eventually enable the School to visualise energy consumption, identify potential waste and boiler inefficiencies, compare thermal performance of buildings and reduce consumption and Greenhouse Gas emissions associated with the combustion of natural gas.

The School has heavily invested in building improvements e.g. improved insulation and continues to invest in LED lighting controls and sensors on a rolling programme. The Building Management System has been updated and replacement boilers and solar PV are also considered in a bid to reduce energy consumption and emissions of CO₂. An Eco Society has been set up with renewed focus on sustainability. Although energy and carbon are not currently within the Society's remit, it is anticipated as net zero targets are established that the built environment will be considered.

FUTURE PLANS

The Governors' objectives for the coming year are listed below. These are shown under the three pillars of Education, Public Benefit and Finance and it is shown where some objectives relate to more than one pillar.

Education, Public Benefit and Finance

1. Grow collaboration between SPS and SPJ in order to build the 7 – 18 experience.
2. Fully understand and disseminate the School's unique qualities in comparison to other schools in the sector and explore platforms for sharing this more widely.
3. Determine the future of boarding at the School.

Education and Finance

4. Determine the correct shape and structure of the School including boarding.
5. Have a continued review of staff workload and conditions to ensure we are an appropriate employer for the 21st century.

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

6. Plan for employee wellbeing for the 21st century incorporating financial, mental, social, career and physical wellbeing.

Education

7. Further develop Character Education in the fabric of the School culture.
8. Continue to grow co-educational academic and co-curricular opportunities through collaboration particularly with SPGS but also other West London Partnership schools.
9. Complete the curriculum review and generate firm proposals for lesson length, structure of the School day and GCSE and A Level programmes.
10. Embed the new House and Tutor systems.
11. Ensure that Paulines get the fullest possible support and opportunity within the changing Higher Education landscape to achieve a place at their first-choice institution.

Public Benefit

12. Introduce a whole School approach to admissions attracting the best candidates, including scholars, in line with the nature of the London market.
13. Ensure we have an appropriate contextual admissions process for pupils of all backgrounds.
14. Develop a bursary strategy to reach suitable candidates for bursaries at all age groups.
15. Further develop the work with the West London Partnership and local primary schools, embed ourselves in the local community and measure the impact of our work.
16. Further develop work with the Associated Schools and College of the Mercers' Company and other partners in the UK and abroad, and measure the impact of our work.
17. Complete the £20m Shaping Our Future fundraising campaign and agree the direction for the next five years.
18. Continue to develop and sustain the St Paul's wider community of pupils, parents, former parents and alumni.

Finance

19. Establish a financial strategy that informs budgetary process and considers threats and changes to the sector.
20. Properly establish initiatives for commercial income, providing reliable income streams with potential for future growth.
21. Ensure budgetary and programme control of the SPJ redevelopment.

STRATEGIC REPORT (continued)

RISK MANAGEMENT

The Governing Body is responsible for identifying and addressing risks.

Governors are aware of the need for prudent financial management, following the re-building of the senior school over the past decade. A commitment was made to parents that fees would not grow faster than inflation and a Future Estate Capital Fund has been established to cover any need for replacement of buildings into the future. The pandemic saw the pause in building work but plans to rebuild the Junior School were set in motion again with details of a decant to the former senior school science building in Autumn 2022 put in place. West House was also opened as a flexi boarding house to offer a facility to pupils wishing to board occasionally. The School is also seeking to improve sports facilities in the near future. Plans have begun to establish new commercial income streams, including through lettings.

The Governors are aware of the possible challenges that the independent school sector could face were there to be a change of government at the next general election and are preparing for the challenges of possible changes in government policy regarding charitable tax reliefs. The Governors are also mindful of the impact of high inflation and interest rates on household finances for our families and we will continue to monitor the situation very closely and offer support wherever possible.

A formal review of the School's risk management controls is performed annually but risk management is at the heart of all decision making. The Governors and executive staff regularly review and update procedures in order to identify and mitigate risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results are presented on pages 21 - 44 of this report. During the year there was a net increase in funds of £2,707,000 (2021: £4,927,000) bringing the total funds to £123,089,000 at 31 August 2022 (2021: £120,382,000). In addition to the School's operational surplus the main reasons for the increase in funds for the year were bursary donations and pension scheme actuarial gains.

The School's main income is from fees. The total income of £41,805,000 (2021: £38,996,000) consists of unrestricted income of £38,186,000 (2021: £35,497,000), restricted income of £2,119,000 (2021: £3,299,000) and endowed income of £1,500,000 (2021: £200,000). The restricted income funded bursaries, scholarships and prizes. The unrestricted income, in addition to fees, includes bank interest, trading income, donations and legacies and other categories such as rents received.

Within total expenditure of £39,591,000 (2021: £37,162,000), educational costs were the largest category of expenditure at £22,175,000 (2021: £20,873,000) followed by premises costs at £7,036,000 (2021: £7,234,000).

The School's finances continued to be monitored very closely during the year, particularly as a result of the inflationary cost pressures, and following the COVID-19 pandemic, and remain in a strong position, with the unrestricted net income for the year before investment losses and transfers increasing from £545,000 in 2021 to £1,702,000.

Reserves Policy

The funds at the year-end totalled £123,089,000 (2021: £120,382,000) which included £111,527,000 of unrestricted funds (2021: £108,490,000), £6,948,000 of restricted funds (2021: £8,396,000) and £4,614,000 of endowed funds (2021: £3,496,000).

The Trustees have set a reserves policy which requires:

- a reserve of £5million to be maintained, separately from the School's working capital, to ensure the School can continue to pay salaries and creditors for three months with no additional income;
- a reserve to cover the cash required by the budgets formally committed to the rebuilding project;
- an agreed contribution to the now closed to new members and to future accrual defined benefit pension scheme for non-teaching staff at the School. This scheme is no longer in deficit as at 31 August 2022 but the School remains committed to make additional contributions of £789,000 in the 2022/23 financial year in advance of the next full actuarial valuation of the scheme as at 31 August 2023;

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Reserves Policy (continued)

- a contribution of £1.55million out of the School's cash surpluses as at 31 August 2022 into a designated Future Estate Capital Fund dedicated to the long-term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed. This annual contribution will rise to £2.26million by August 2026 and will then continue at that level into the foreseeable future;
- a commitment to set aside any remaining cash surpluses from each financial year after the above contribution to the Future Estate Capital Fund and Private Placement capital repayments towards future bursary awards and partnerships / public benefit work.

As at 31 August 2022, the School has negative free reserves of £5,256,000 after allowing for the above reserve of £5,000,000 and £1,550,000 Future Estate Capital Fund contribution which are both held in readily available cash. This reflects the substantial investment that the School is making, and will continue to make, in its buildings. The negative free reserves position is therefore expected to continue for the foreseeable future. However, the School has a very strong net current asset position of £56,774,000 (2021: £58,319,000). Therefore, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

Investment Policy

In accordance with the Memorandum and Articles of Association, the Governors have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The policy is for a low to medium risk investment approach. Two investment managers, Waverton Investment Management Limited and Rathbone Investment Management Limited, manage the investment of the School's endowed funds and restricted bursary funds with the restrictions that no funds are to be placed in the following areas: pornography, armaments, gambling, tobacco and direct investment in fossil fuel stocks. The School also continues to hold short to medium term secure deposit accounts with UK banks. With the consent of the Finance Committee, the Finance Director may invest monies that will not be needed by the School at short notice. Investments are reported at every Finance Committee meeting. The policy is reviewed annually to ensure it remains in line with the School's objectives and prevailing economic conditions.

Investment Performance against Objectives

The market value of the School's investments at the end of the year was £9,931,000 (2021: £8,544,000). The School's investments are mainly in equities and funds. The value of the portfolios held with Waverton Investment Management Limited and Rathbone Investment Management Limited have decreased by 3.46% and 10.44% respectively in capital terms. The difference in performance reflects the different mandate for each investment manager. This performance is below the benchmarks of CPI plus 4.50% for Waverton and CPI plus 3.00% for Rathbones but is consistent with market conditions during the year.

Fundraising Practices

The 2021/22 academic year has seen a return to normality for the School community which has been helpful on so many fronts including our ability to engage donors and potential donors. It is noted however that activity in this year was still not up to pre-pandemic levels due to residual anxieties about gatherings.

The 2021/22 academic year was the penultimate year of the £20 million 'Shaping our Future' Campaign launched in May 2019, and we remain on track income wise (although as reported in the 2021 update, the weighting of income in certain priority areas differs from forecast). The initiative centres around three key areas of focus: Excellence without Exclusivity (widening access), Working in Partnership and Building to Inspire (the Sports Pavilion and the Boathouse - both of which will also support our agenda to increase our partnership work, and also diversify income). We have raised £16.355m to date including projected Regular Gifts. £3.568m of this was raised in 2021/22 against a target of £3.425m for Bursaries and Partnerships, with the vast majority towards our bursaries work.

Our Partnership income is below target (£58k against a target of £125k for 2021/22). However we will look to address this in the final year of the campaign. We currently have 50%* of our parent body supporting the campaign and 7.6% of alumni

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

(against 42% and 6.28% in August 2021). The amounts being given however by these two constituency groups is actually fairly similar - 48% from parents, 44.3% from Old Paulines. * this includes 2022 leavers' parents

On the capital front, we have £600,000 left to raise for the Sports Pavilion and an adjusted target of £1m to refurbish, rather than rebuild, the Boat House.

1. Fundraising Targets for Excellence without Exclusivity – Widening Access:

Year	2018/19	2019/20	2020/21	2021/22	2022/23	5 Year Total
Target	£660,000	£1,320,000	£1,980,000	£2,640,000	£3,300,000	£9,900,000
Achieved	£2,085,763	£1,559,577	£3,730,299	£3,568,381		

Annual target from 2022/23 onwards £3,300,000.

2. Fundraising Targets for St Paul's in Partnership, which includes: Pauline service in the community, Partner schools' programme, developing enterprise skills, building awareness of bursaries.

Year	2018/19	2019/20	2020/21	2021/22	2022/23	5 Year Total
Target	£25,000	£125,000	£125,000	£125,000	£125,000	£525,000
Achieved	£13,750	£115,063	£72,993	£57,960		

3. Fundraising Targets for Building to Inspire over the next five years

Original targets: Boathouse £7,000,000; Sports Pavilion £2,600,000: Total £9,600,000.

Pavilion outstanding pledges	£1,750,000
Pavilion received 2021/22	£62,659
Pavilion received 2020/21	£65,261
Pavilion received 2019/20	£7,306
Pavilion received 2018/19	£210,000
	<u>£2,095,226</u>

Buffalo Fundraising Consultants were employed to support the infrastructure for the Giving Day (April 2021) and the Telethon (September 2022).

The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices'. The School also adheres to the Code of Fundraising Practice and associated rulebooks and is a member of the Institute of Development Professionals in Education (IDPE). Various members of staff also have personal membership of the Institute of Fundraising.

There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation and the School received no complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) which came into effect in May 2018. As a school, we are fully compliant with GDPR and take our responsibilities seriously.

Companies (Miscellaneous Reporting) Regulations 2018

The Governors have promoted the success of the School by acting in good faith to assist the charitable company to meet its aims and objectives. Further detail on this can be found in the 'Objectives to Achieve the Aims for the Year' section of this report on pages 3 to 4.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT (continued)

Companies (Miscellaneous Reporting) Regulations 2018 (continued)

Employees are involved in, and consulted about, a variety of School and workplace issues through a range of mechanisms. A range of detailed HR policies support the charitable and business objectives and ensure compliance with employment legislations. These are reviewed at least annually. A Joint Consultative Forum (JCF) is also in place, with representation from SPS and SPJ teaching staff and support staff. The JCF enables employees to raise issues with the Executive on a regular basis and the minutes of those meetings are viewed by the Governors.

The School provides various support mechanisms to promote the wellbeing of employees. These include a confidential Employee Assistance Programme, a chaplain, a medical centre, the provision of flu vaccinations, physiotherapy sessions, School counsellors and reimbursement for eyesight tests together with a contribution towards the cost of glasses.

In accordance with the Equal Opportunities Policy, the School seeks to treat all employees, all other members of the School community and any person visiting the School equally, regardless of their disability. The School expects all employees and all other members of the School community to comply with this policy. If an employee is disabled or becomes disabled during the course of employment, the School will endeavour to support the employee to as great an extent as possible.

STRUCTURE, GOVERNANCE AND MANAGEMENT

John Colet, Dean of St Paul's, founded St Paul's School in 1509 and placed the administration in the hands of The Mercers' Company. The School is a company limited by guarantee with charitable status (company number 6141973, registered charity number 1119619) which is governed by its Memorandum and Articles of Association. The Mercers' Company, a Livery Company, a body corporate formed by Royal Charter in 1394, is the sole member. The School has two linked charities, The St Paul's School General Charitable Trust (registered charity number 1119619-1) and St Paul's School Central Prize Fund (registered charity number 1119619-2) which hold the School's endowment funds.

Governing Body

The Governors of the School are the trustees of the charity and directors of the company. The Governors serving at the date of this report, and who served throughout the period 1 September 2021 until 31 August 2022 (except where otherwise stated), are:

Richard Cassell (*Chair*)
Tim Haynes (*Deputy Chair*)
Tom Adeyoola (appointed 1 January 2022)
Sarah Barker
Nicola Doyle (*Health and Safety Governor and Educational Visits Governor*) (retired 31 July 2022)
Veryan Exelby (*Safeguarding Governor, Educational Visits Governor from 1 September 2022*)
Adam Fenwick (retired 31 July 2022)
Andrew Fenwick (appointed 1 September 2022)
Lord Grabiner QC
Joanne Harris (*Health and Safety Governor from 31 October 2022*) (appointed 1 September 2022)
Harold Hampson
Samuel Newhouse
Alison Palmer (*Boarding Governor*)
Aisha Sanusi (*Inclusion Governor from 1 September 2022*) (appointed 1 January 2022)
Sarah Thomas
Rupert Tate (appointed 1 September 2022)
Mark Tuffney (appointed 31 October 2022)
Rt. Hon. Edward Vaizey (appointed 1 January 2022)
Chris Vermont (retired 31 July 2022)

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Committees (Non Governors are marked with an *)

Property Committee (merged with Finance Committee in October 2021):

Adam Fenwick (*Chair*) (until 31 July 2022)

Richard Cassell

Sally-Anne Huang *

Chris Vermont (until 31 July 2022)

Simon Taylor * (The Mercers' Company)

Education Committee:

Sarah Thomas (*Chair*)

Nicola Doyle (until 31 July 2022)

Tim Haynes

Rupert Tate (from 1 September 2022)

Mark Tuffney (from 31 October 2022)

Finance Committee:

Harold Hampson (*Chair from 1 September 2021*)

Richard Cassell

Adam Fenwick (until 31 July 2022)

Tim Haynes (from 1 September 2022)

Samuel Newhouse

Alison Palmer

Chris Vermont (until 31 July 2022)

Nominations and Remuneration Committee:

Alison Palmer (*Chair*)

Richard Cassell

Tom Adeyoola (from 1 September 2022)

Sarah Barker (from 3 May 2022)

Adam Fenwick (until 31 July 2022)

Tim Haynes (until 7 July 2022)

Access, Development and Partnerships Committee (Public Benefit Committee from March 2022):

Alistair Summers * (*Chair co-opted*) (until 7 July 2022)

Samuel Newhouse (*Chair from 1 September 2022*)

Richard Cassell

Tom Adeyoola

Sarah Barker (until 24 March 2022)

Adam Fenwick (until 31 July 2022)

Safeguarding Committee:

Veryan Exelby (*Chair*)

Nicola Doyle (until 31 July 2022)

Joanne Harris (from 1 September 2022)

Sarah Thomas

Nick Arnold *

Paul Doyle *

Clare Kelly * (from 1 September 2021)

Sam Madden *

Nick Watkins *

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key Management Personnel:

High Master:	Sally-Anne Huang
Surmaster, St Paul's:	Francis Clough
Head, St Paul's Juniors:	Maxine Shaw (until 20 April 2022) Nick Arnold (Acting Head from 21 April 2022 until 31 August 2022) Oliver Snowball (from 1 September 2022)
Finance Director:	Steven Grace

Recruitment, Induction and Training of Governors

The existing Memorandum and Articles of Association state that there shall be a minimum of ten and a maximum of 16 Governors. Governors are selected by reference to their eligibility, personal competence and specialist skills which are mapped against the skills profile and needs of the whole Governing Body. On appointment Governors are given an induction pack and attend an induction at the School. During the course of the year further training is made available, and recommendations are made about suitable courses for Governors to attend.

Organisational Management

The Governors are responsible for the strategic direction, oversight and regulatory compliance of the School. The management of the School is delegated to the High Master supported by the Executive Management Team known as the Core Strategy Group. The Governing Body meets at least six times a year. The High Master attends the Governing Body meetings and reports on the management of the School.

The Governing Body has the following sub-committees:

- (a) *Property Committee*: monitoring and oversight of the redevelopment of the School's buildings and managing the upkeep and maintenance of the School's residential property portfolio. This Committee was merged into the Finance Committee in October 2021;
- (b) *Education Committee*: monitors, reports to and advises the Board on the educational strategy of the School and its implementation to include the level and quality of education being provided;
- (c) *Finance Committee*: monitors and reviews all aspects of the School's financial performance, financial management, financial reporting arrangements, budgeting, financial systems and controls. The Committee is also responsible for the School's portfolio of investments, establishing and following the investment policy and making investment decisions;
- (d) *Nominations and Remuneration Committee*: oversight of the selection, nomination and appointment of Governors, the High Master and the Finance Director and of recommendations on senior executive remuneration;
- (e) *Access, Development and Partnerships Committee (now Public Benefit Committee)*: oversight of the development and delivery of open access to St Paul's through bursary provision and programmes of partnership activities; and
- (f) *Safeguarding Committee*: oversight of child protection and safeguarding matters including resourcing, training and an anonymised review of the School's response to cases.

All committees report to the Governing Body and are subject to terms of reference that outline the committee's remit and any delegated authority. The Chairman of the Governing Body has a right, which he exercises, to attend any committee of the Board. The High Master and senior staff attend committee meetings as required.

Key Management Remuneration

The Nominations and Remuneration Committee has delegated responsibility for determining the remuneration and benefits of the High Master and key management personnel, and takes advice and recommendations on the annual salary reviews or any package changes for the key management personnel, including reviewing appropriate salary benchmark information.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Regulation

The School is regulated by the Department for Education. It is a member of the Independent Schools Council and is inspected by the Independent Schools Inspectorate (ISI).

Registered Office and Advisors

Registered Office:	Lonsdale Road Barnes London SW13 9JT	
Legal:	Veale Wasbrough Vizards Central Court 255 Southampton Buildings Chancery Lane London WC2A 1AL	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 1AL
Auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Banking:	National Westminster Bank Plc 111 - 117 Putney High Street Putney London SW15 2LL	
Investment Management:	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Actuaries:	Barnett Waddingham 2 London Wall Place London EC2Y 5AU	XPS Pensions Group Tempus Court Onslow Street Guildford GU1 4SS
Insurance Broker:	Hettle Andrews & Associates Limited Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP	
Website: St Paul's School	www.stpaulsschool.org.uk	

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of St Paul's School for the purposes of charity and company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records 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 enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- so far as each Governor 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 Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITOR

Haysmacintyre LLP have indicated their willingness to be reappointed as statutory auditor.

The Governors' Report (including the Strategic Report) has been approved by the Board of Governors and signed on their behalf by:



Richard Cassell
Chair of Governors

8 December 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL

Opinion

We have audited the financial statements of St Paul's School for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of the net movement in funds, including the 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 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 Governors' 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 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the charitable company; or

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 17 the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulations 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019), and considered other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities, including the outcomes of inspections;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant balances, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL (continued)

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.



Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 19 December 2022

ST PAUL'S SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	36,397	-	-	36,397	33,999
Ancillary trading income	3	1,073	-	-	1,073	759
Other trading activities						
Non-ancillary trading income	4	118	-	-	118	130
Investments						
Investment income		-	159	-	159	99
Bank and other interest		440	-	-	440	175
Voluntary sources						
Donations, legacies and grants	5	152	1,960	1,500	3,612	3,826
Other income						
Surplus on disposal of fixed assets		6	-	-	6	8
Total income		38,186	2,119	1,500	41,805	38,996
Expenditure on:						
Raising funds						
Non-ancillary trading		-	-	-	-	5
Financing costs	8	1,527	-	-	1,527	1,553
Investment management		45	-	-	45	25
Fundraising and development		369	-	-	369	405
Marketing and publicity		528	-	-	528	452
		2,469	-	-	2,469	2,440
Charitable activities						
Education and grant making		34,015	3,107	-	37,122	34,722
Total expenditure	7	36,484	3,107	-	39,591	37,162
Net income / (expenditure) from operations before investment (losses) / gains and transfers						
		1,702	(988)	1,500	2,214	1,834
Net (losses) / gains on investments	10	-	(457)	(382)	(839)	1,277
Transfers between funds		3	(3)	-	-	-
Net income / (expenditure)		1,705	(1,448)	1,118	1,375	3,111
Other recognised losses						
Pension scheme actuarial gains	19	1,332	-	-	1,332	1,816
Net movement in funds		3,037	(1,448)	1,118	2,707	4,927
Reconciliation of funds						
Fund balances at 1 September 2021		108,490	8,396	3,496	120,382	115,455
Fund balances at 31 August 2022	18	111,527	6,948	4,614	123,089	120,382

The attached notes on pages 25 to 44 form an integral part of these financial statements.

All of the School's activities represent continuing operations.

See note 24 for the Statement of Financial Activities for the year ended 31 August 2021.

ST PAUL'S SCHOOL

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	2022 Unrestricted and restricted funds £'000	2021 Unrestricted and restricted funds £'000
Income from:		
Charitable activities		
School fees receivable	36,397	33,999
Ancillary trading income	1,073	759
Other trading activities		
Non-ancillary trading income	118	130
Investments		
Investment income	159	99
Bank and other interest	440	175
Voluntary sources		
Donations, legacies and grants - unrestricted	152	426
Donations, legacies and grants - restricted	1,960	3,200
Other income		
Surplus on disposal of fixed assets	6	8
Total income	40,305	38,796
Expenditure on:		
Raising funds		
Non-ancillary trading	-	5
Financing costs	1,527	1,553
Investment management	45	25
Fundraising and development	369	405
Marketing and publicity	528	452
	2,469	2,440
Charitable activities		
Education and grant making	37,122	34,722
Total expenditure	39,591	37,162
Net income before investment (losses) / gains	714	1,634
Net (losses) / gains on investments	(457)	732
Net income	257	2,366

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on page 21 and its presentation is required under the Companies Act 2006.

The attached notes on pages 25 to 44 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	9	110,233	109,331
Investments	10	9,931	8,544
		<u>120,164</u>	<u>117,875</u>
Current assets			
Stock		94	94
Debtors	11	1,471	1,077
Cash at bank and in hand		60,660	61,399
		<u>62,225</u>	<u>62,570</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(5,451)	(4,251)
Net current assets		<u>56,774</u>	<u>58,319</u>
Total assets less current liabilities		<u>176,938</u>	<u>176,194</u>
Creditors: amounts falling due after more than one year	13	(53,783)	(53,758)
Provisions for liabilities and charges	14	(66)	(100)
Net assets excluding pension liability		<u>123,089</u>	<u>122,336</u>
Pension scheme liability	19	-	(1,954)
Net assets		<u><u>123,089</u></u>	<u><u>120,382</u></u>
FUNDS			
Endowment funds	18	4,614	3,496
Restricted funds	18	6,948	8,396
Unrestricted funds	18	111,527	110,444
Total funds before pension reserve		<u>123,089</u>	<u>122,336</u>
Pension scheme funding reserve	18	-	(1,954)
Total funds		<u><u>123,089</u></u>	<u><u>120,382</u></u>

The financial statements were approved and authorised for issue by the Governors on 8 December 2022 and were signed below on its behalf by:



Richard Cassell
Chair of Governors



Harold Hampson
Chair of Finance Committee

The attached notes on pages 25 to 44 form an integral part of these financial statements.

ST PAUL'S SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022	2021
		£'000	£'000
Net cash inflow from operations			
Net cash provided by operating activities	20	3,799	3,412
Cash flows from investing activities			
Payments for tangible fixed assets	9	(4,400)	(1,954)
Proceeds from sale of tangible fixed assets		9	8
Payments for investments	10	(2,226)	(2,050)
Investment income and bank and other interest received		599	274
Net cash used in investing activities		(6,018)	(3,722)
Cash flows from financing activities			
New endowments		1,500	200
Repayment of obligations under hire purchase contracts		(20)	(20)
Net cash provided by financing activities		1,480	180
Change in cash and cash equivalents in the reporting period		(739)	(130)
Cash and cash equivalents at the beginning of the reporting period		61,399	61,529
Cash and cash equivalents at the end of the reporting period	21	60,660	61,399
Analysis of movements in net cash		2021	Cash flows
		£'000	£'000
Cash at bank and in hand		61,399	(739)
Total cash and cash equivalents		61,399	(739)
Hire purchase contracts		(77)	20
Private Placement funding falling due after one year		(50,000)	-
Total		11,322	(719)

The attached notes on pages 25 to 44 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

Accounting basis

St Paul's School is a Public Benefit Entity. It is a company limited by guarantee registered in England and Wales (company number 06141973 incorporated on 6 March 2007) and a charity registered with the Charity Commission (charity number 1119619 registered on 12 June 2007). Its registered address is Lonsdale Road, Barnes, London, SW13 9JT.

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") – 2nd Edition effective 1 January 2019. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. There are considered to be no material uncertainties regarding the School's going concern status.

The School's wholly owned subsidiary, St Paul's School Enterprises Limited, was incorporated on 29 May 2019 with £1 of issued share capital. The company was dormant until 31 August 2021 and commenced trading on 1 September 2021. Consolidated accounts have not been prepared on the grounds that the activity is immaterial to the group. See note 23 for a summary of the company's results for the year ended 31 August 2022.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. 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 affects current and future periods. The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 19.

Legacies:

Accruing for income derived from legacies where complicated issues surrounding the measurement of the School's entitlement to income existed at the year-end.

Provisions:

Provisions represent the best estimate of legal costs to be incurred post year-end in respect of the historic abuse allegations. See note 14 for further details.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

1. ACCOUNTING POLICIES (continued)

Fees and similar income

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

Government grant income

Government grant income represents the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

Rental and investment 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.

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

For legacies, entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable 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. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include non-ancillary trading, financing, investment management, fundraising and development and marketing and publicity costs.

Grants

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

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Funds

The School has three types of funds:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the School.

1. ACCOUNTING POLICIES (continued)

Pension schemes

The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to St Paul's Schools' Non-Teaching Staff Pension Fund. The scheme is a defined benefit scheme in accordance with section 28 of FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to financing costs in the Statement of Financial Activities.
- Pension finance charges arising from similar changes are recognised as expenditure.
- Remeasurement gains and losses are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation. The defined benefit scheme is in a surplus position. However, it is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Details of the scheme assets and liabilities and major assumptions are shown in note 19.

Following the closure of the Non-Teaching Staff defined benefit scheme to new members and also to future accrual with effect from 1 January 2016, all Non-Teaching members of staff, unless they choose to opt out, contribute into a separate defined contribution scheme. Costs associated with this scheme are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Capitalisation and replacement

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.

Depreciation

Depreciation of assets is provided at rates to write off the cost over their estimated useful lives as follows:

- | | |
|--|----------|
| • School and residential buildings | 50 years |
| • Leasehold improvements | 20 years |
| • School and residential refurbishments | 10 years |
| • School equipment and musical instruments | 10 years |
| • Furniture and fittings | 4 years |
| • Vehicles and boats | 4 years |
| • Computers | 3 years |

Assets held under construction are not depreciated as the assets have not yet been brought into use. On completion the assets will be transferred to buildings and depreciated over their expected useful life.

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at cost. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sale proceeds and opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year-end and their opening carrying value. Realised and unrealised investment gains and losses are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

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, trade and fee debtors, other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and Private Placement funding. Financial liabilities measured at fair value comprise the pension scheme liability.

Stock

Stock representing books, stationery, padlocks and kitchen supplies, is stated at the lower of cost and estimated realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash and cash equivalents include cash and deposits with a short term maturity of 12 months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the School becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Where payments are eventually made, they are charged to the provision carried in the balance sheet.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2022	2021
	£'000	£'000
Fees receivable consist of:		
School fees	37,153	36,250
Add: bad debts recovered	-	4
Less: Spring term 2021 fee rebate	-	(1,067)
Less: total bursaries, grants and allowances	(3,681)	(3,285)
	<u>33,472</u>	<u>31,902</u>
Add: scholarships, grants, etc. received from restricted funds	2,925	2,097
	<u>36,397</u>	<u>33,999</u>
Included within total bursaries, grants and allowances are means-tested bursaries of £3,271,000 paid to 148 pupils (2021: £2,698,000 paid to 130 pupils). 79% (2021: 80%) of these awards were either full fee or higher than 75% of fees.		
3. CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME	2022	2021
	£'000	£'000
Fee extras (including School trips)	784	489
Entrance and registration fees	197	240
Tuck shop sales income	60	4
Commissions and other income	32	26
	<u>1,073</u>	<u>759</u>
4. OTHER TRADING - NON-ANCILLARY TRADING INCOME	2022	2021
	£'000	£'000
Hire of School facilities	47	74
Rental income	71	12
External training income	-	42
Merchandise income	-	2
	<u>118</u>	<u>130</u>
5. DONATIONS, LEGACIES AND GRANTS	2022	2021
	£'000	£'000
Donations for:		
Bursaries	3,214	2,909
Prizes and other awards	-	5
Rebuilding fund	2	2
Other	251	404
	<u>3,467</u>	<u>3,320</u>
Legacies	145	350
Government grant income (CJRS)	-	156
	<u>3,612</u>	<u>3,826</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

6. STAFF COSTS	2022 £'000	2021 £'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	17,689	16,984
Social security costs	2,179	2,023
Pension costs:		
Defined contribution scheme	350	376
Defined benefit scheme	173	220
Teachers' Pension Scheme	2,766	2,681
Medical insurance	109	98
Consultancy costs	170	127
Contract staff costs	790	826
Recruitment costs	137	89
Other	25	20
Redundancy / termination payments	-	43
	24,388	23,487

None of the Governors received any remuneration or other benefits (2021: none).

Aggregate employee benefits of key management personnel	1,034	1,061
	2022 Number	2021 Number

The number of employees whose emoluments in the year exceeded £60,000 was:

£60,000 - £69,999	44	49
£70,000 - £79,999	54	49
£80,000 - £89,999	19	20
£90,000 - £99,999	6	4
£100,000 - £109,999	2	1
£120,000 - £129,999	2	3
£130,000 - £139,999	1	-
£140,000 - £149,999	1	2
£150,000 - £159,999	1	-
£190,000 - £199,999	1	-
£210,000 - £219,999	-	1
£270,000 - £279,999	-	1
£290,000 - £299,999	1	-

Of the above staff members 126 (2021: 125) have benefits accruing under defined benefit pension schemes and four (2021: five) have benefits accruing under the defined contribution scheme. Employer's contributions for the defined benefit schemes were £2,204,197 (2021: £2,144,523) and for the defined contribution scheme were £25,020 (2021: £49,300).

The average number of the School's employees during the year calculated on a full time equivalent basis was 308 (2021: 300) and on a head count basis was 383 (2021: 359).

Full time equivalent basis	2022 Number	2021 Number
Teaching	199	195
Welfare	5	4
Premises	30	29
Support	62	62
Other	12	10
	308	300

6. STAFF COSTS (continued)

Head count basis	2022 Number	2021 Number
Teaching	231	221
Welfare	8	7
Premises	36	36
Support	92	83
Other	16	12
	<u>383</u>	<u>359</u>

7. ANALYSIS OF TOTAL EXPENDITURE

2022	Staff costs £'000	Other £'000	Depreciation £'000	Total 2022 £'000
Costs of raising funds				
Financing costs (note 8)	26	1,501	-	1,527
Investment management	-	45	-	45
Fundraising and development	321	48	-	369
Marketing and publicity	368	160	-	528
	<u>715</u>	<u>1,754</u>	<u>-</u>	<u>2,469</u>
Charitable activities				
Education	18,926	2,686	563	22,175
Welfare	303	1,753	11	2,067
Premises	2,061	2,054	2,921	7,036
Support costs and governance	2,383	354	-	2,737
Grants, awards and prizes	-	3,107	-	3,107
	<u>23,673</u>	<u>9,954</u>	<u>3,495</u>	<u>37,122</u>
Total expenditure	<u>24,388</u>	<u>11,708</u>	<u>3,495</u>	<u>39,591</u>
2021	Staff costs £'000	Other £'000	Depreciation £'000	Total 2021 £'000
Costs of raising funds				
Non-ancillary trading	-	5	-	5
Financing costs (note 8)	59	1,494	-	1,553
Investment management	-	25	-	25
Fundraising and development	326	79	-	405
Marketing and publicity	305	147	-	452
	<u>690</u>	<u>1,750</u>	<u>-</u>	<u>2,440</u>
Charitable activities				
Education	17,983	2,285	605	20,873
Welfare	222	1,366	8	1,596
Premises	2,028	2,308	2,898	7,234
Support costs and governance	2,564	245	-	2,809
Grants, awards and prizes	-	2,210	-	2,210
	<u>22,797</u>	<u>8,414</u>	<u>3,511</u>	<u>34,722</u>
Total expenditure	<u>23,487</u>	<u>10,164</u>	<u>3,511</u>	<u>37,162</u>

7. ANALYSIS OF TOTAL EXPENDITURE (continued)

Governance costs included in support costs:	2022 £'000	2021 £'000
Auditor's remuneration:		
For audit	36	34
For corporation tax	3	3
Staff costs	57	39
Legal and professional fees	204	84
Other	26	21
	<u>326</u>	<u>181</u>

The School has obtained permission from the Charity Commission to offer a scheme of redress in respect of the historic abuse allegations and ex-gratia payments totalling £Nil were made during the year ended 31 August 2022 (2021: £3,000). See note 14 for further information.

Three Governors (2021: four) were reimbursed travel, accommodation and other expenses amounting to £982 during the year (2021: £394). Amounts paid directly to third parties on behalf of Governors during the year amounted to £24,641 (2021: £15,569). These expenses consisted of training costs, subscriptions, legal fees, catering costs for Board and sub-committee meetings, costs associated with the Governors' away day and entertainment costs on School business.

GRANTS, AWARDS AND PRIZES	2022 £'000	2021 £'000
From restricted and endowed funds		
Bursaries and other awards	2,983	2,139
Prizes and leaving awards	124	71
	<u>3,107</u>	<u>2,210</u>

8. FINANCING COSTS

	2022 £'000	2021 £'000
Private placement financing costs	1,458	1,458
Hire purchase interest	4	4
Net finance costs of defined benefit pension scheme	26	59
Provision for bad debts	39	32
	<u>1,527</u>	<u>1,553</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

9. TANGIBLE ASSETS	Assets held under construction £'000	Charitable properties £'000	Furniture fittings & Equipment £'000	Vehicles and Boats £'000	Total £'000
Cost					
At 1 September 2021	2,403	119,799	5,038	776	128,016
Additions	3,883	365	142	10	4,400
Disposals	-	-	(17)	-	(17)
Transfer	(447)	447	-	-	-
At 31 August 2022	5,839	120,611	5,163	786	132,399
Depreciation					
At 1 September 2021	-	14,467	3,541	677	18,685
Charge for the year	-	2,843	612	40	3,495
Disposals	-	-	(14)	-	(14)
At 31 August 2022	-	17,310	4,139	717	22,166
Net book value					
At 31 August 2022	5,839	103,301	1,024	69	110,233
At 31 August 2021	2,403	105,332	1,497	99	109,331

As at 31 August 2022, the School has capital commitments of £2,093,064 (2021: £329,120) in relation to the School's rebuilding programme. The net book value of assets held under hire purchase contracts was £36,927 (2021: £77,211). The depreciation charge for the year was £40,284 (2021: £40,284).

10. INVESTMENTS	2022 £'000	2021 £'000
Listed investments:		
Valuation at 1 September 2021	8,544	5,217
Additions at cost	2,226	2,050
Net (losses) / gains on investments	(839)	1,277
Valuation at 31 August 2022	9,931	8,544
Total investments at 31 August 2022	9,931	8,544
Investments comprise:		
Listed investments		
Equities	8,067	7,624
Bonds	463	367
Pooled investment vehicles	749	386
Cash holdings	652	167
Total investments at 31 August 2022	9,931	8,544
Cost of investments	9,071	6,845

Of the total investments of £9,931,000 (2021: £8,544,000), £3,609,000 (2021: £3,056,000) are held in the UK and £6,322,000 (2021: £5,488,000) are held overseas.

The School also has a £1 investment (2021: £1) in its subsidiary undertaking, St Paul's School Enterprises Limited, which was incorporated on 29 May 2019. The company commenced trading on 1 September 2021 and its results for the year ended 31 August 2022 are shown in note 23.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

11. DEBTORS	2022 £'000	2021 £'000
Fees	-	24
Amounts owed by group undertakings	75	-
Sundry debtors	321	359
Prepayments and accrued income	1,075	694
	<u>1,471</u>	<u>1,077</u>
12. CREDITORS: due within one year	2022 £'000	2021 £'000
Trade creditors	1,267	757
Fees received in advance	1,129	872
Refundable deposits (note 15)	569	468
Hire purchase contracts (note 15)	20	20
Other taxes and social security costs	14	11
Other creditors	340	265
Accruals and deferred income	2,112	1,858
	<u>5,451</u>	<u>4,251</u>
Deferred income brought forward as at 1 September 2021 was £159,000 (2021: £64,000) and carried forward as at 31 August 2022 was £174,000 (2021: £159,000). This mostly related to advance School bus income received. The amount released to the Statement of Financial Activities in the year was £159,000 (2021: £64,000).		
13. CREDITORS: amounts falling due after more than one year	2022 £'000	2021 £'000
Fees received in advance	102	152
Refundable deposits (note 15)	3,644	3,549
Hire purchase contracts (note 15)	37	57
Private Placement funding	50,000	50,000
	<u>53,783</u>	<u>53,758</u>

On 7 June 2017, the School entered into a private placement arrangement with BAE Systems Pension Scheme for £15m of funding at a coupon rate of 2.3% towards the construction costs of Phase 2 of the General Teaching Building. Drawdown of the funds took place in June 2018 and the capital will be repaid over ten equal annual instalments of £1.5m commencing in 2028. On 12 March 2019, the School entered into a second private placement arrangement with The Prudential Insurance Company of America for £35m of funding at a coupon rate of 3.18% towards the construction costs of the next phases of the School masterplan which includes the rebuilding of the Junior School. Drawdown of the funds took place in March 2019 and the capital will be repaid over 14 equal annual instalments of £2.5m commencing in 2039.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2022 £'000	2021 £'000
As at 1 September 2021	100	235
Amounts utilised	(34)	(87)
Decrease in provision	-	(48)
As at 31 August 2022	<u>66</u>	<u>100</u>

Provisions for liabilities and charges of £66,000 as at 31 August 2022 (2021: £100,000) relates to the best estimate of legal costs to be incurred subsequent to the year-end in respect of the historic abuse allegations. £48,000 of the provision was released as at 31 August 2021 as it was no longer required.

15. REFUNDABLE DEPOSITS AND HIRE PURCHASE CONTRACTS

	Refundable deposits		Hire purchase contracts	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
After 5 years	1,631	1,562	-	-
Between 2 to 5 years	1,539	1,453	17	37
Between 1 to 2 years	474	534	20	20
After more than 1 year	<u>3,644</u>	<u>3,549</u>	<u>37</u>	<u>57</u>
Within 1 year	569	468	20	20
	<u>4,213</u>	<u>4,017</u>	<u>57</u>	<u>77</u>

16. OPERATING LEASE COMMITMENTS

Operating leases that are subject to future minimum lease commitments are as follows:

	2022 £'000	2021 £'000
As Lessee:		
Less than 1 year		
Photocopiers	48	48
Franking machines	20	20
Computers	37	30
Land and buildings	1	1
Between 1 and 2 years		
Photocopiers	36	48
Franking machines	20	20
Computers	16	27
Land and buildings	1	1
Between 2 and 5 years		
Photocopiers	-	36
Franking machines	10	30
Computers	-	6
Land and buildings	3	3
Over 5 years		
Land and buildings	<u>755</u>	<u>756</u>
	<u>947</u>	<u>1,026</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

16. OPERATING LEASE COMMITMENTS
(continued)

	2022 £'000	2021 £'000
As Lessor:		
Less than 1 year		
Land and buildings	96	39
Between 1 and 2 years		
Land and buildings	-	39
	<u>96</u>	<u>78</u>
Amounts charged / (credited) to Statement of Financial Activities:		
Photocopiers	48	48
Franking machines	20	20
Computers	30	19
Land and buildings - expenditure	1	2
Land and buildings – income	(69)	(39)
	<u>(69)</u>	<u>(39)</u>

17. ANALYSIS OF NET ASSETS

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

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities, provisions & pension deficit £'000	Total £'000
2022					
Endowment funds	-	4,600	14	-	4,614
Restricted funds	-	5,331	1,617	-	6,948
Unrestricted funds	110,233	-	55,143	(53,849)	111,527
	<u>110,233</u>	<u>9,931</u>	<u>56,774</u>	<u>(53,849)</u>	<u>123,089</u>
2021					
Endowment funds	-	3,482	14	-	3,496
Restricted funds	-	5,062	3,334	-	8,396
Unrestricted funds	109,331	-	54,971	(55,812)	108,490
	<u>109,331</u>	<u>8,544</u>	<u>58,319</u>	<u>(55,812)</u>	<u>120,382</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

18. FUNDS	Balance 1 September 2021 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2022 £'000
Endowed funds					
Scholarship funds	546	-	-	(22)	524
Bursary funds	2,551	1,500	-	(313)	3,738
Prize funds	399	-	-	(47)	352
	<u>3,496</u>	<u>1,500</u>	<u>-</u>	<u>(382)</u>	<u>4,614</u>
Restricted funds					
Bursaries	4,940	1,879	(2,983)	(420)	3,416
Scholarships	138	8	(4)	(5)	137
Prizes and other funds	1,649	230	(120)	(33)	1,726
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>8,396</u>	<u>2,119</u>	<u>(3,107)</u>	<u>(460)</u>	<u>6,948</u>
Unrestricted funds					
General reserve	110,444	38,186	(37,106)	(1,547)	109,977
Pension scheme funding reserve	(1,954)	-	622	1,332	-
Future estate capital fund	-	-	-	1,550	1,550
	<u>108,490</u>	<u>38,186</u>	<u>(36,484)</u>	<u>1,335</u>	<u>111,527</u>
Total funds	<u>120,382</u>	<u>41,805</u>	<u>(39,591)</u>	<u>493</u>	<u>123,089</u>
COMPARATIVE FIGURES	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2021 £'000
Endowed funds					
Scholarship funds	270	200	-	76	546
Bursary funds	2,152	-	-	399	2,551
Prize funds	329	-	-	70	399
	<u>2,751</u>	<u>200</u>	<u>-</u>	<u>545</u>	<u>3,496</u>
Restricted funds					
Bursaries	3,537	2,989	(2,139)	553	4,940
Scholarships	118	6	(4)	18	138
Prizes and other funds	1,274	302	(67)	140	1,649
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>6,598</u>	<u>3,299</u>	<u>(2,210)</u>	<u>709</u>	<u>8,396</u>
Unrestricted funds					
General reserve	110,228	35,497	(35,304)	23	110,444
Pension scheme funding reserve	(4,122)	-	352	1,816	(1,954)
	<u>106,106</u>	<u>35,497</u>	<u>(34,952)</u>	<u>1,839</u>	<u>108,490</u>
Total funds	<u>115,455</u>	<u>38,996</u>	<u>(37,162)</u>	<u>3,093</u>	<u>120,382</u>

18. FUNDS (continued)**Endowed funds**

Endowed funds are for scholarship, 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.

Restricted funds

The bursary and scholarship funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries and scholarships for pupils. Prize funds are for the costs associated with awarding the various prizes. The rebuilding fund was created for building programmes. The transfer from the rebuilding fund to the unrestricted general reserve of £2,000 (2021: £2,000) relates to the use of restricted donations towards the capital expenditure on buildings during the year.

Unrestricted funds

The future estate capital fund transfer of £1,550,000 represents the first contribution out of the School's cash surpluses towards the long term provision of capital to allow the replacement and refurbishment of buildings and fabric of the School estate in the long term if needed.

19. PENSIONS**a) Non-Teaching Staff Pension Fund**

The School makes contributions to the St Paul's Schools Non-Teaching Staff Pension Fund, a defined benefit scheme in the UK. Since 1 November 2006, the scheme has been closed to new members and closed to future accrual on 1 January 2016. Contributions (including the expense allowance) for the year ended 31 August 2023 are expected to be £789,000. The disclosures shown below adopt the accounting standard FRS 102.

A full actuarial valuation of the scheme was carried out as at 31 August 2020 and has been updated to 31 August 2022 by a qualified independent actuary. The next full actuarial valuation is due as at 31 August 2023. The major assumptions used by the actuary were (in nominal terms) as follows:

	2022	2021
	%	%
Discount rate	4.20	1.60
Inflation assumption (RPI)	3.40	3.40
Inflation assumption (CPI)	3.10	3.10
Rate of increase in salaries	3.10	3.10
5% LPI pension increase assumption	3.10	3.10
2.5% LPI pension increase assumption	2.30	2.30

Assumed life expectancies on retirement at age 60 are:

Retiring today	Males	25.1	25.3
	Females	29.1	29.3
Retiring in 20 years' time	Males	26.3	26.8
	Females	30.3	30.8

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

19. PENSIONS (continued)

The assets in the scheme and their values were:

	2022	2021
	£'000	£'000
Equities	6,023	6,798
Cash and other assets	141	45
Secured pensions	157	261
Absolute return fund	5,541	6,342
Fair value of scheme assets	<u>11,862</u>	<u>13,446</u>

The actual return on assets over the period was	<u>(1,717)</u>	<u>1,855</u>
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	2022	2021
	£'000	£'000
The amounts recognised in the balance sheet are as follows:		
Present value of obligations	(11,772)	(15,400)
Fair value of scheme assets	<u>11,862</u>	<u>13,446</u>
Surplus/(deficit) in funded scheme	90	(1,954)
Adjustment for unrecognised asset	<u>(90)</u>	<u>-</u>
Net surplus/(deficit) in scheme	<u>-</u>	<u>(1,954)</u>

	2022	2021
	£'000	£'000
Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Benefit obligation at beginning of year	15,400	15,835
Interest cost	242	234
Actuarial gains	(3,355)	(136)
Benefits paid (excluding expenses)	<u>(515)</u>	<u>(533)</u>
Benefit obligation at end of year	<u>11,772</u>	<u>15,400</u>

	2022	2021
	£'000	£'000
Reconciliation of opening and closing balances of the fair value of scheme assets		
Fair value of scheme assets at beginning of year	13,446	11,713
Interest income on scheme assets	216	175
Return on assets (excluding interest income)	(1,933)	1,680
Contributions by employers	789	567
Benefits paid (excluding expenses)	(515)	(533)
Scheme administrative cost (i.e. expenses paid)	<u>(141)</u>	<u>(156)</u>
Fair value of scheme assets at end of year	<u>11,862</u>	<u>13,446</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

19. PENSIONS (continued)

	2022 £'000	2021 £'000
Amounts recognised in the Statement of Financial Activities		
Service cost – administrative cost (i.e. expenses paid)	141	156
Net interest on the net defined benefit liability	26	59
	<u>167</u>	<u>215</u>
Total amount charged to the Statement of Financial Activities	167	215
Remeasurements of the net defined benefit liability to be shown in SOFA	2022 £'000	2021 £'000
Actuarial gains on the liabilities	(3,355)	(136)
Return on assets (excluding interest income)	1,933	(1,680)
Surplus on scheme that is not recoverable	90	-
	<u>(1,332)</u>	<u>(1,816)</u>
Total remeasurement of the net defined benefit liability to be shown in SOFA	(1,332)	(1,816)

The surplus linked to the defined benefit scheme is not a recoverable amount and therefore has not been recognised in the financial statements in accordance with FRS 102.

Information about the type of scheme and funding policy

The scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to members' final salary at the date of leaving employment and their length of service up to the date on which the scheme closed to future accrual, 1 January 2016.

The scheme is a registered scheme under UK legislation and is subject to the scheme funding requirements outlined in UK legislation.

The scheme was established from 1 June 1989 under trust and is governed by the scheme's definitive trust deed and rules dated 5 July 2001. The trustees are responsible for the operation and governance of the scheme, including making decisions regarding the scheme's funding and investment strategy.

Information about the most recent actuarial valuation of the defined benefit obligation at the accounting date

The most recently completed formal actuarial valuation of the scheme was at 31 August 2020. This showed that on that date, the value of the technical provisions was £23.560m and the value of the assets was £17.542m, giving rise to a deficit of £6.018m.

The value of the liabilities has been estimated by updating the results of the actuarial valuation as at 31 August 2020 to allow for the passage of time, actual inflation experience, benefits paid out of the scheme and changes in actuarial assumptions over the period from 31 August 2020 to 31 August 2022.

Such an approach is normal for the purpose of accounting disclosures. It is not expected that these projections will be materially different from the summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the scheme at the accounting date and those included in the disclosures.

The next formal actuarial valuation of the scheme is due as at 31 August 2023.

b) Teaching Staff 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 £2,766,000 (2021: £2,681,000) and at the year-end £Nil (2021: £Nil) was accrued in respect of contributions to this scheme.

19. PENSIONS (continued)

b) Teaching Staff Pension Scheme (continued)

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 2021 on proposed changes to the cost cap 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.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation 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.

c) Defined Contribution Pension Scheme

The School pays into a defined contribution scheme for non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £350,000 (2021: £376,000). There were no contributions outstanding at the year-end (2021: £Nil).

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2022 £'000	2021 £'000
Net income	1,375	3,111
Elimination of non-operating cash flows:		
Dividend income	(159)	(99)
Interest receivable	(440)	(175)
Endowment donations	(1,500)	(200)
Defined benefit pension scheme adjustments	(622)	(352)
Depreciation charge	3,495	3,511
Losses/(gains) on investments	839	(1,277)
Surpluses on disposal of tangible fixed assets	(6)	(8)
Decrease in stock	-	3
(Increase)/decrease in debtors	(394)	20
Increase/(decrease) in creditors (excluding hire purchase and refundable deposits)	1,049	(1,177)
Decrease in provisions	(34)	(135)
Increase in refundable deposits	196	190
Net cash inflow from operations	<u>3,799</u>	<u>3,412</u>
21. ANALYSIS OF CASH AND CASH EQUIVALENTS	2022 £'000	2021 £'000
Cash in hand and instant access bank accounts	8,312	5,262
Notice and fixed term deposit accounts	52,348	56,137
	<u>60,660</u>	<u>61,399</u>
22. RELATED PARTY TRANSACTIONS		

The following transactions occurred during the year with related parties:

The School paid rent of £1,000 (2021: £1,000) to St Paul's Schools Foundation during the year.

Donations received from Governors without conditions during the year ended 31 August 2022 totalled £27,470 (2021: £9,849).

Veryan Exelby is a Governor of the School. She is a partner at Farrer & Co who provide legal services to the School. For the year ended 31 August 2022, total legal fees incurred for services provided by Farrer & Co were £29,545 (2021: £4,852). As at 31 August 2022, the amount due to Farrer & Co was £3,925 (2021: £Nil).

During the year ended 31 August 2022, a donation of £750 (2021: £Nil) was made to a school affiliated to the Mercers' Company in support of a fundraising campaign.

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of the School. The Directors of the company include Harold Hampson and Rupert Tate who are Governors of the School. Chris Vermont was also a Director of the company and Governor of the School until 31 July 2022. During the year ended 31 August 2022, total costs of £64,205 (2021: £Nil) were charged by the School to the company under the Shared Resources Agreement between the two entities. These costs represented licence fees, a share of overhead costs (utilities, cleaning, security, telephone etc.) and salary costs. There were also further costs of £10,579 (2021: £Nil) paid by the School on behalf of the company. The balance due from the company to the School as at 31 August 2022 was £74,783 (2021: £1 due to the company from the School).

There are no other related party transactions for the years ended 31 August 2022 or 2021.

ST PAUL'S SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2022****23. SUBSIDIARY UNDERTAKING**

St Paul's School Enterprises Limited is a wholly owned subsidiary undertaking of St Paul's School and is registered in England and Wales. The results of the company for the year ended 31 August 2022 were as follows:

	2022 £'000	2021 £'000
Turnover from continuing operations	153	-
Direct costs	(71)	-
	<u>82</u>	<u>-</u>
Administrative expenses	(2)	-
Operating profit	<u>80</u>	<u>-</u>
Gift aid payable to St Paul's School	-	-
	<u>80</u>	<u>-</u>
Profit brought forward	-	-
Retained in the subsidiary	<u>80</u>	<u>-</u>

At 31 August 2022 the company had net assets of £80,000 (2021: £1).

St Paul's School Enterprises Limited is a company limited by share capital registered in England, company number 12021201.

24. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total funds £'000
Income and endowments from:				
Charitable activities				
School fees receivable	33,999	-	-	33,999
Ancillary trading income	759	-	-	759
Other trading activities				
Non-ancillary trading income	130	-	-	130
Investments				
Investment income	-	99	-	99
Bank and other interest	175	-	-	175
Voluntary sources				
Donations and legacies	426	3,200	200	3,826
Other income:				
Surplus on disposal of fixed assets	8	-	-	8
Total income	35,497	3,299	200	38,996
Expenditure on:				
Raising funds				
Non-ancillary trading	5	-	-	5
Financing costs	1,553	-	-	1,553
Investment management	25	-	-	25
Fundraising and development	405	-	-	405
Marketing and publicity	452	-	-	452
	2,440	-	-	2,440
Charitable activities				
Education and grant making	32,512	2,210	-	34,722
Total expenditure	34,952	2,210	-	37,162
Net income from operations before investment gains and transfers	545	1,089	200	1,834
Net gains on investments	-	732	545	1,277
Transfers between funds	23	(23)	-	-
Net income	568	1,798	745	3,111
Other recognised losses				
Pension scheme actuarial gains	1,816	-	-	1,816
Net movement in funds	2,384	1,798	745	4,927
Fund balances at 1 September 2020	106,106	6,598	2,751	115,455
Fund balances at 31 August 2021	108,490	8,396	3,496	120,382

Accounts

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

Registered Company Number: 06141973
Registered Charity Number: 1119619

ST PAUL'S SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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ST PAUL'S SCHOOL

CHAIR OF GOVERNING BODY'S STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

I had the honour to assume the chair of governors from Mr John Robertson in January 2021 and to work with the High Master in her first year in office. The School is grateful for Mr Robertson's excellent leadership of the governing board over many years which has contributed significantly to the continuing success of the School.

During the course of the year the School returned from remote learning to in person teaching, and was also able to gradually re-introduce a full co-curricular programme, as with other schools. The impact of coronavirus on the School has been significant both for the individuals affected directly and for the pupil body as a whole. We continue to monitor the effect on the physical and mental health of members of the School community. The School has made every effort to help those affected return to a full School life.

During the second period of national lockdown in the Spring term 2021, we were able to make cost savings which were passed back to parents by way of a 8% fee rebate for the term. Parents were, once again, given the opportunity to donate their fee rebate to the Hardship Fund and we are extremely grateful that a further £52,000 was raised, including gift aid. During the year, a total of £133,000 of the Fund was distributed to 18 families and over 25 families were assisted with fee payment plans. The remaining funds (£162,000) are being held for future hardship and bursary applications as required.

It is a testament to the inspiring leadership of Mrs Sally Anne Huang, our first woman High Master, and the School executive and staff that the School remains overall in good health with significant learning in the delivery of remote tuition and support. Whilst periods of lockdown were a challenge, we have acquired valuable knowledge which is already being applied to remote learning technology applications to spread the benefits of the School's excellent academic teaching more widely.

The indomitable spirit of Paulines proved to be intact on the return to School and we are proud of our pupils for their success at the end of the year. At A Level and Pre-U, 77% of grades awarded were A* (or equivalent) and 95% were A* or A (or equivalent). At GCSE and IGCSE, 81% of grades awarded were at Grade 9 and 94% were Grade 8 or 9. In addition to showing academic prowess, we salute our pupils for their enthusiastic return to extra-curricular activities, sporting and artistic. For a full list of outstanding pupil achievements for the 2020/21 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

The School welcomed the spotlight shone on unwelcome misogynist behaviour evidenced in the "Everyone's Invited" online forum and this generated discussion, formal and informal, throughout the School. The High Master and executive had already initiated a review of the School's relationship education and the discussions informed the outcomes of this review which have been implemented successfully. This forms a key part of the School's commitment to educating our pupils to be good citizens upholding the highest standards of behaviour, as well as achieving academic, athletic and artistic success.

The High Master, the Surmaster, the Head of the Junior School and the Finance Director led the governors in a day of discussion in May 2021 and reviewed the School's strategy and goals centred around the themes of continuing academic excellence, financial stability and public benefit. These have been translated into focussed whole School objectives which will guide the School's continuing development. We hope that this will result in continuing growth of the School's academic leadership, the strengthening of the extra-curricular content of the School's education, the completion of the School's rebuilding programme with new Junior School and boarding provision, as well as a focus on adding and improving access to the School through bursary funding, admission procedures and School outreach to the wider community, while maintaining financial strength in the context of limiting fee increases. These are challenging and exciting goals which will test the School's leadership and the High Master is to be applauded for leading this initiative in her first year in office.

ST PAUL'S SCHOOL

CHAIR OF GOVERNING BODY'S STATEMENT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

At the end of the year, as we have been reviewing and improving the School's governance, I must express my gratitude to the School's governors who have welcomed me into office as chair and have given unstintingly of their time to the School. However, the School's success is really the result of an outstanding teaching faculty and pupil body who have maintained the standards of excellence in the face of a challenging year and for that all on the governing body are grateful and appreciative.



Richard Cassell
Chair of Governors

9 December 2021

STRATEGIC REPORT

OBJECTS, AIMS AND OBJECTIVES

Charitable 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; and
- To pursue the objects of the School by running a boys' school and only educate members of the opposite sex with the prior written consent of, and subject to, any restriction imposed by the Mercers' Company.

Aims and Intended Impact

The School has a strong academic tradition which it is committed to maintaining. The School aims to provide an excellent all-round education for able boys, which includes scholarship, breadth and balance in the curriculum, the highest standards of pupil welfare and a wide programme of varied sporting, artistic and extra-curricular activities.

In the furtherance of these aims the Governors, as the charity trustees, confirm that they have complied with the duty in Part 2(17) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance on public benefit.

Aims of the School

- To provide an outstanding intellectual, spiritual and physical education, combining tradition with the best of the present, which prepares boys for their future.
- To honour John Colet's founding commitment that St Paul's is open to academically eligible boys, regardless of their economic or social circumstance.
- To foster a culture of scholarship, and to develop a spirit of enquiry and curiosity, through inspirational and responsive teaching.
- To provide a structure of individual and pastoral care that promotes a boy's independence, whilst fostering respect, kindness and service.
- To develop and maintain the School's facilities in order to ensure that the physical environment of St Paul's sustains the excellence of its education.
- To build substantive links with the local community through Pauline voluntary service, partnership programmes and the sharing of facilities.

Objectives to Achieve the Aims for the Year

The School's key objectives for the year and performance against them are shown below:

Academic / Pastoral

1. Establish strong leadership teams in SPJ, SPS and across the senior executive following the change of senior personnel.
2. Establish a safe environment for the restoration on site of as much of the curricular and co-curricular programme as possible in line with Government guidance.
3. Under any emergency restrictions, prioritise the needs of 6th Form and U8th pupils in preparing for public examinations and university entry.
4. Continue to review the curriculum to strengthen the links between juniors and seniors, and to review the use of online teaching as part of our emergency response planning and learn from it, integrating best practice into the learning portfolio of the School.
5. Review the 5th and 6th Form curriculum in SPS in time for the introduction of any changes from 2021-22.

STRATEGIC REPORT (continued)

OBJECTS, AIMS AND OBJECTIVES (continued)

Objectives to Achieve the Aims for the Year (continued)

6. Establish strong pastoral teams with the new members of staff in the juniors, seniors and across both schools, and sharpen focus on mental health and safeguarding in the wake of the COVID-19 spike.
7. Review the admission process in light of the 2019/20 changes, evaluate the acceptance rate at 7+ / 8+ / 11+ and develop strategies to ensure we have the right boys joining the School at each stage. Evaluate and build upon the induction process for pupils at each entrance point to ensure that the transition is smooth and positive.
8. Seek ways to increase awareness of equality and diversity in a Pauline education.

Community / Partnerships

9. Deliver on the KPIs for 2020-21 contained in the five year £20m 'Shaping our Future' fundraising campaign.
10. Roll out the programme for the West London Partnership (uniting local state and independent schools) to incorporate existing 'outreach' work, the West London Schools' Entrepreneurs Partnership, and the Year 12 Friday afternoon programmes.
11. Establish a mechanism for valuing the School's total annual contribution to public benefit.
12. Build stronger post COVID-19 relationships with local schools to support them and learn from them.

Finance / Operations / Redevelopment

13. Manage the finances as prudently as possible during the COVID-19 crisis, providing fee support where possible and appropriate to parents.
14. Review the plans for the reconstruction of SPJ, and determine the course of action.
15. Review the plans for the refurbishment of the Milton building (including the re-siting of SPJ Art and Music), and determine the course of action.
16. Develop business plans for the expansion of lettings / events and e-Technology post the COVID-19 crisis.

These objectives were put together on the basis of a normal academic year, and the impact of the COVID-19 pandemic must be taken into account. That being said, all of the 2020-21 whole School objectives have been completed with the exception of numbers five and 16 above.

The cancellation of public examinations for both 2020 and 2021 resulted in a curriculum review being placed on hold. With the appointment of a new Director of Teaching and Learning, this will be a priority for 2021-22.

Commercial lettings will form part of a renewed focus on commercial income generation now that COVID-19 restrictions have been lifted. e-Technology will be considered as part of the School's development of its use of intellectual property, with a working group formed for 2021-22.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

ACTIVITIES

Review of Achievements and Performance for the Year

In addition to the specific aims and objectives for the year, below are some key outcomes in relation to the operational (educational) performance of the School.

Operational Performance of the School

In 2021, examination results were awarded through Teacher Assessed Grades and not the normal public exams process. However, they remain a fair reflection of the efforts and abilities of the St Paul's pupils. In 2021, at A Level and Pre-U, 77% of grades awarded were A* (or equivalent) and 95% were A* or A (or equivalent). 98.5% of the 2020 leavers went to university and 49.5% to universities ranked in the QS World top 20 universities. 13.5% of the cohort study at universities abroad, including Harvard, Chicago, Columbia and Yale. Oxford, UCL, Durham, Bristol, Edinburgh and Cambridge were the most popular UK destinations in rank order. 35 took up places at Oxbridge. At GCSE and IGCSE, 81% of grades awarded were at Grade 9 and 94% were Grade 8 or 9.

Applications to the School at the main entry points of 7+, 11+, 13+ and 16+ remain very high. The number of pupils on bursary support has grown again, moving from 121 to 130 in the 2020/21 academic year, with 104 of these awards at over 75%. The pupils of the School continue to fundraise for bursaries and this year also saw our first Giving Day. The School was a founding member of the West London Partnership and, in response to the pandemic, has further grown partnerships with state schools through the provision of a STEM catch up school and the development of a peer on peer mentoring app – Colet Mentoring – with two former pupils. Both of these projects have been supported financially by the Mercers' Company.

The need to run the School in line with government guidance concerning Covid Management was a major factor in the 2020/21 academic year. On-line education, when needed, was of a high standard and pupils engaged with this consistently. Use of the School site was reconfigured to allow for the 'bubbling' of year groups and the co-curricular programme was adjusted to allow for as many activities as possible, delivered in a 'COVID-compliant' way. Pupils were still able to achieve nationally at the highest level. This included reaching the final of the Princess Elizabeth Challenge Cup at Henley, winning awards for chess and athletics and performing in on-line concerts and plays.

Outstanding Achievements 2020/21

For a full list of outstanding pupil achievements for the 2020/21 academic year, please refer to the School website – www.stpaulsschool.org.uk/about-st-pauls/news/ or click on this [link](#).

Principal Activities of the Year (including Public Benefit)

The total number of pupils at the School was 1,484, of whom 496 were at St Paul's Juniors and 988 at St Paul's (SPS). Of the total number, 130 (2020: 121) pupils were assisted with means tested bursaries. 80% (2020: 62%) of these awards were either full fee or higher than 75% of fees compared to 49 bursaries in total and 45% at the same level in 2015-16. The total means-tested bursaries for the year ended 31 August 2021 were £2,698,000 (2020: £2,097,000) representing 7.4% (2020: 5.9%) of gross School fees. Widening access to the School, through increased bursary support as necessary, remains a priority and, for the 2021/22 academic year, there are currently 144 pupils being assisted with means tested bursaries, with 81% of these awards being either full fee or higher than 75% of fees. The School's bursary awards, in addition to the main School fee, cover educational trips which form part of the curriculum, bus transport, iPads (where applicable), music tuition fees (where applicable), examination fees, books and School uniform.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships

Charity

The St Paul's Charity Committee (made up of staff, parents and pupils), set up in June 2019, has worked hard to fundraise for and increase awareness about our chosen local charities (Castelnau Community Centre, City Harvest, FiSH and Thames21), UK Charity of the Year (CRISIS UK) and international charities (Beyond Ourselves and Senahasa Trust). With the difficulties of the COVID-19 pandemic in the academic year 2020-21, it was difficult to hold events and many charities suffered as a result. At SPS, we put on a series of virtual activities and showpieces to make sure charity at the school is as relevant as ever.

The SPS Pauls4All Charity Committee for 2020-21 led a series of campaigns which were aimed at educating the School community about the charities we support. Mufti days were vital in relaying this message, and it was heart-warming to see parents and pupils respond by giving generously. Perhaps the most successful events, however, were the sponsored games half (run in February 2021 – every pupil was asked to complete a small amount of exercise during their games half and to ask for sponsorship for whatever they completed) and the panel events. The latter of these involved representatives from each of our charities discussing the great work they do, initially to the whole L8th year as part of their volunteering afternoon, and then to the wider School community as a lunchtime talk. We also ran the first ever staff vs pupil Virtual University Challenge, giving it a charitable twist, with a message from the Head of Charities at the beginning and several charity-themed questions. The total raised by students across SPS/SPJ during the 2020-21 academic year was approximately £20,000.

Local School Partnerships (pupil / student numbers in brackets where available)

Academic Partnerships	Community Partnerships
Music String Day (cancelled due to COVID-19)	Capsize Drills for local rowing clubs (cancelled due to COVID-19)
Chemistry – Year 10 – 4 week Saturday programme (cancelled due to COVID-19)	Lowther School weekly swimming (cancelled due to COVID-19)
144 hours of online Oxbridge preparation for Year 13 (150)	FiSH Concert
Residential Material Science School	Westside Basketball Club (cancelled due to COVID-19)
Residential Particle Physics School in partnership with Queen Mary's University	Castelnau Community Centre Homework Club (cancelled due to COVID-19)
Latin Cohorts preparing for GCSE (3 year groups of 15) moved to online teaching	Chance to Shine
Biology – 3 week Saturday Programme (cancelled due to COVID-19)	Secondary School (PRUs) Rugby with Dallaglio Rugbyworks charity (cancelled due to COVID-19)
Material Sciences – 2 week Saturday Programme (cancelled due to COVID-19)	Barnes Literary Festival – supported live festival
SPS MUN – Model United Nations weekend (cancelled due to COVID-19)	World Cup Day (cancelled due to COVID-19)
University Day Online – advice about university applications (200)	Chance to Shine Cricket Day (cancelled due to COVID-19)
First Medics Masterclasses – students applying to study medicine (24)	Micro Adventure (cancelled due to COVID-19)
One day online Medical Conference (83)	State schools sports day provisions (cancelled due to COVID-19)
One day Economics Conference (cancelled due to COVID-19)	Rowing Camp with Fulham Reach (Holiday Hunger) (cancelled due to COVID-19)
Geography Conference (cancelled due to COVID-19)	SPS pupils recorded a Carol Concert which was played in a local care home
One day Student Exchange Y12 (cancelled due to COVID-19)	
Primary School Philosophy for Children (cancelled due to COVID-19)	

The School employs a full time Assistant Director of Partnerships and Service responsible for community relations and developing academic and sporting partnerships as well as promoting the use of School facilities within the local community.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

ACTIVITIES (continued)

Charitable Activities and Partnerships (continued)

School Partnerships: These focus on helping support some of the brightest students from maintained schools. Programmes aim to consolidate and extend students' knowledge and skills but also to challenge and inspire beyond the examination syllabus. Programmes take place at St Paul's, are run by SPS staff and occur after school hours, at the weekend or during school holidays, and in addition to the table of activities above, include the following:

- SPS has extended 66 invitations to all partnership schools in and outside of the West London Partnership for our Topical Tuesdays, online society talks and specialist one off lectures. After March 2020, all events went virtual where possible due to COVID-19. Oxbridge preparation and Latin GCSE classes were successfully moved to Google Classroom and the Science Summer School transformed into a series of lectures attended by over 600 students (70% were from UK state schools but 13 different countries were represented).

Colet Mentoring: St Paul's has developed a first of its kind peer learning app to support with COVID catch up and beyond. Over 2,000 sessions (average length 20-30 minutes) have been run on the platform with around 30 schools involved across the UK and as far afield as South Sudan.

Google Classroom Mentoring Maths and Science: During the year SPS pupils supported Fulham Boys School, Christ's School and Hammersmith Academy with support in Maths and Science live on Google Classroom. SPS L8th pupils supported younger partnership pupils whilst they worked through Maths and Science questions. Classes were supervised by SPS staff and maintained school staff to comply with School policy.

West London Partnership: As part of the School's partnership strategy, this local private-state partnership was established formally in May/June 2020 with five independent schools and four local state schools. The Start-it Entrepreneurship programme has been embedded into the partnership (all occurring virtually during the 2020-21 academic year) as well as much of the existing partnership and outreach work.

Use of School Facilities by the Wider Community: Sporting clubs are run by both SPS staff and local volunteers, and offer young people a range of activities throughout the year. The School also lets out its facilities free of charge to local primary and secondary schools and charities. A full list of activities is posted on the School website, and includes: Westside Basketball, Ealing Youth Orchestra and Barnes Music Festival (some of this was cancelled due to COVID-19). Many local sports clubs also make use of our excellent sports facilities. Regular users are Barnes Swimming Club, Penguins Water Polo Club, Westside Basketball Club, St Paul's Fencing Club and Barnes Cricket Club. The Fives and Rackets courts are also used by members of the community.

Alumni Activities

The School maintains contact with previous pupils mainly through The Old Pauline Club, which is independent but closely associated with the School. A number of social events are held during the year themed around professional interest groups or year of attendance. Current pupils and staff are invited to a number of these events.

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements, the School's energy usage and emissions for the year ended 31 August 2021 were as follows:

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

STREAMLINED ENERGY AND CARBON REPORTING (continued)

	2021	2020
UK energy use in kWh	7,376,221	5,254,277
Associated Greenhouse Gas emissions in Tonnes CO ₂	1,435	1,075
Intensity ratio (kilogram of CO ₂ per meter squared of gross internal area)	48.41	36.27

UK energy use covers all of the School's educational and operational activities. Associated Greenhouse Gas emissions have been calculated in accordance with the Defra 2020 conversion sets methodology.

The School has contracted 100% Renewable Energy Guarantees of Origin (REGO) backed electricity across all School electricity supplies in a positive shift towards reducing Greenhouse Gas emissions. The non-half-hourly electricity meters are being upgraded to smart meters in a bid to visualise energy consumption, identify potential waste and reduce consumption.

Gas metering had been equipped with Automatic Meter Reader data collection. Since the contracted energy supplier has exited the UK energy market, the AMR has suffered a knockback and a revised strategy is being put in place for the monitoring of gas consumption. This was unfortunate, as the timing coincided with the first national COVID-19 lockdown and subsequent reopening of the School, where improved ventilation requirements for the safe operation of the School, and a particularly cold Spring 2021, resulted in a significant increase in gas consumption when compared with 2019-20.

The School has heavily invested in building improvements and continues to invest in LED lighting controls and sensors on a rolling programme, the replacement of the Building Management System, replacement boilers and solar PV in a bid to reduce energy consumption and emissions of CO₂. Future major investment plans include the St Paul's Juniors rebuilding project and a new Sports Pavilion which will have Solar PV Arrays installed, the installation of 12 electric vehicle charging points with solar ports and replacing the Grounds maintenance vehicle with an electric alternative. Other initiatives planned to be implemented from the ESOS Phase II report are currently under review, pending the upgrade of metering.

FUTURE PLANS

The Governors' priorities for the coming year are as follows:

Education: Academic and Pastoral

1. Character Education to be embedded in the fabric of the School culture.
2. Growth of co-educational academic and co-curricular opportunities through collaboration with St Paul's Girls' School and other schools.
3. The percentage of Paulines achieving a place at their first choice Higher Education institution to be maximised.
4. Curriculum development to promote appropriate choice, opportunity, support and achievement for all pupils.
5. Continued review and development of the School's pastoral care structures and safeguarding systems.

Admissions and Accessibility

6. For there to be a whole School approach to admissions attracting the best candidates, including scholars, in line with the changing nature of the London market.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

FUTURE PLANS (continued)

7. Bursary offer to be based on sound principles of a wholly inclusive package of support to those most in need.
8. The School to provide a transformative educational experience for bursary pupils.
9. The School to be established as a sector leader in partnership work, delivering accountable public benefit and driving interest in admissions and bursaries.
10. Deliver on the annual target for the Shaping Our Future campaign with continued high level of engagement of parents and Old Paulines.
11. Strengthen Old Pauline relations.
12. Deliver a comprehensive programme of events and engagement to build the community.

Financial Security

13. To establish a financial strategy that informs budgetary process and assures long-term financial security.
14. Initiatives for commercial income to be properly established, providing reliable income streams with potential for future growth.
15. Income generation from boarding to be maximised, understanding its pastoral function will always take priority.
16. Building programmes to deliver modern spaces fit for purpose enabling the highest quality, inspirational teaching and buildings.

RISK MANAGEMENT

The Governing Body is responsible for identifying and addressing risks.

A key priority for the year was establishing strong leadership of the School following the change in key personnel, especially the High Master (in September 2020) and Chair of Governors (in January 2021). This was made more of a challenge through the need to communicate remotely but the use of webinars, Google Meet and weekly letters to parents contributed to the success of establishing the new post holders.

Safeguarding and pastoral care remain a key risk and priority, especially in the light of the history of non-recent abuse which had emerged since 2014. The new High Master and Surmaster were trained in the support of survivors of abuse, have continued to respond to claims, and have taken responsibility for the implementation of recommendations from the Serious Case Review of January 2020. The emergence of the website 'Everyone's Invited' in March 2020 raised further concerns and the School produced an Action Plan in response to this as well as taking part in the Ofsted Review of Sexual Abuse in Schools and Colleges and a Rapid Review by Richmond LSCB. It remains the School's absolute priority to achieve the highest possible standards of safeguarding and to work with survivors and third-party experts to continue to evolve our work in this area.

Governors are also aware of the need for prudent financial management, following the re-building of the senior school over the past decade. Both savings and costs were carefully tracked during the pandemic and savings during periods of lockdown were returned to fee-payers – 8% during this academic year – with the option of allowing the School to retain the money for hardship awards. The pandemic saw the pause in building work but funds have been set aside for the rebuilding of the Junior School and, subsequent to that, a purpose-built boarding house. The School is also seeking to provide a sports pavilion on the East side of the site. Plans have begun to establish new commercial income streams, including through lettings.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

RISK MANAGEMENT (continued)

A formal review of the School's risk management controls is performed annually but risk management is at the heart of all decision making. The Governors and executive staff regularly review and update procedures in order to identify and mitigate risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results are presented on pages 20 - 42 of this report. During the year there was a net increase in funds of £4,927,000 (2020: £2,142,000) bringing the total funds to £120,382,000 at 31 August 2021 (2020: £115,455,000). In addition to the School's operational surplus the main reasons for the increase in funds for the year were bursary donations, gains on investments and pension scheme actuarial gains.

The School's main income is from fees. The total income of £38,996,000 (2020: £40,533,000) consists of unrestricted income of £35,497,000 (2020: £35,242,000), restricted income of £3,299,000 (2020: £5,291,000) and endowed income of £200,000 (2020: £Nil). The restricted income funded bursaries, scholarships and prizes. The unrestricted income, in addition to fees, includes bank interest, trading income, Government grant income, donations and legacies and other categories such as rents received.

Within total expenditure of £37,162,000 (2020: £36,630,000), educational costs were the largest category of expenditure at £20,873,000 (2020: £21,839,000) followed by premises costs at £7,234,000 (2020: £6,304,000).

The School's finances continued to be monitored very closely during the year as a result of the continuation of the COVID-19 pandemic, and remain in a strong position, with the unrestricted net income for the year before investment gains and transfers increasing from £145,000 in 2020 to £545,000. Cost savings made in the Spring 2021 term were able to be passed on to parents by way of a 8% fee rebate. Over 25 (2020: 80) families were assisted with payment plans during the year and a further 18 (2020: 11) were awarded hardship assistance due to a deterioration in their financial circumstances as a result of the pandemic.

Reserves Policy

The funds at the year-end totalled £120,382,000 (2020: £115,455,000) which included £108,490,000 of unrestricted funds (2020: £106,106,000), £8,396,000 of restricted funds (2020: £6,598,000) and £3,496,000 of endowed funds (2020: £2,751,000).

The Trustees have set a reserves policy which requires:

- a reserve of £5million to be maintained, separately from the School's working capital, to ensure the School can continue to pay salaries and creditors for three months with no additional income;
- separate to the above reserve, the School maintains a reserve to cover the cash requirements of the budgets formally committed to the rebuilding fund;
- the defined benefit pension scheme for non-teaching staff at the School is in deficit amounting to £1,954,000 which impacts on the unrestricted reserves of the School. To address this deficit, the School has agreed to continue to make additional contributions totalling £606,000 per annum.

As at 31 August 2021, the School has negative free reserves of £5,841,000 after allowing for the above reserve of £5,000,000 which is held in readily available cash. This reflects the substantial investment that the School is making, and will continue to make, in its buildings. The negative free reserves position is therefore expected to continue for the foreseeable future. However, the School has a very strong net current asset position of £58,319,000 (2020: £57,184,000). Therefore, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed including the ongoing impact of the COVID-19 pandemic and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Investment Policy

In accordance with the Memorandum and Articles of Association, the Governors have the power to invest in such stocks, shares and property as appropriate to meet the objectives of the Charity. The policy is for a low to medium risk investment approach. Two investment managers, Waverton Investment Management Limited and Rathbone Investment Management Limited, manage the investment of the School's endowed funds and restricted bursary funds with the restrictions that no funds are to be placed in the following areas: pornography, armaments, gambling, tobacco and direct investment in fossil fuel stocks. The School also continues to hold short to medium term secure deposit accounts with UK banks. With the consent of the Finance Committee, the Finance Director may invest monies that will not be needed by the School at short notice. Investments are reported at every Finance Committee meeting. The policy is reviewed annually to ensure it remains in line with the School's objectives and prevailing economic conditions.

Investment Performance against Objectives

The market value of the School's investments at the end of the year was £8,544,000 (2020: £5,217,000). The School's investments are mainly in equities and funds. The value of the portfolios held with Waverton Investment Management Limited and Rathbone Investment Management Limited have increased by 16.43% and 20.27% respectively in capital terms. The difference in performance reflects the different mandate for each investment manager. This performance is above the benchmarks of CPI plus 4.50% for Waverton and CPI plus 3.00% for Rathbones and is consistent with market conditions during the year.

Fundraising Practices

Despite the disruption of the pandemic, we are fortunate that in this year of challenge and adversity we have continued to receive strong support from our community and continued to raise money. Progressing our work on the £20 million 'Shaping our Future' Campaign launched in May 2019, we are able to report that the campaign is fully on track income wise (although the weighting of income in certain priority areas differs from forecast). The initiative centres around three key areas of focus: Excellence without Exclusivity (widening access), Working in Partnership and Building to Inspire (the Sports Pavilion and the Boathouse - both of which will also support our agenda to increase our partnership work, and also diversify income). We have raised £13m to date (£3.9m in 2020/21 against a target of £3.7m), with the vast majority towards our bursaries work. Our partnership income is below target which is directly linked to programme delivery and our ability to host prospect meetings. However, this has been made up by regular giving commitments to the bursary fund which have come out of more remote fundraising initiatives. We currently have 42% of our parent body supporting the campaign and 6% of alumni. The next two years will see concentrated efforts to increase take up.

On the capital front, due to the COVID-19 pandemic, we have held back on our fundraising work on the Boathouse but we are looking forward to consulting with our wider community and starting a focused fundraising appeal in the near future. Through three generous donations we are now within £750,000 of the monies we need to rebuild the Sports Pavilion, however.

1. Fundraising Targets for Excellence without Exclusivity – Widening Access:

<u>Year</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>5 Year Total</u>
Target	£660,000	£1,320,000	£1,980,000	£2,640,000	£3,300,000	£9,900,000
Achieved	£2,085,763	£1,559,577	£3,730,299			

Annual target from 2022/23 onwards £3,300,000.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Fundraising Practices (continued)

2. Fundraising Targets for St Paul's in Partnership, which includes: Pauline service in the community, Partner schools' programme, developing enterprise skills, building awareness of bursaries.

<u>Year</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>5 Year Total</u>
Target	£25,000	£125,000	£125,000	£125,000	£125,000	£525,000
Achieved	£13,750	£115,063	£72,993			

3. Fundraising Targets for Building to Inspire over the next 5 years:
Boathouse £7,000,000; Sports Pavilion £2,600,000: Total £9,600,000.

£1,850,000 raised towards Sports Pavilion.

No professional fundraisers or commercial participators carried out any fundraising activities on behalf of the School during the year.

The School is formally registered with the Fundraising Regulator demonstrating our commitment to 'good fundraising practices'. The School also adheres to the Code of Fundraising Practice and associated rulebooks and is a member of the Institute of Development Professionals in Education (IDPE). Various members of staff also have personal membership of the Institute of Fundraising.

There are no instances to report of the School failing to comply with fundraising standards or schemes for fundraising regulation and the School received no complaints about its fundraising activity during the year. The School adheres to the General Data Protection Regulation (GDPR) which came into effect in May 2018. As a school, we are fully compliant with GDPR and take our responsibilities seriously.

Companies (Miscellaneous Reporting) Regulations 2018

The Governors have promoted the success of the School by acting in good faith to assist the charitable company to meet its aims and objectives. Further detail on this can be found in the 'Objectives to Achieve the Aims for the Year' section of this report on pages 3 to 4.

Employees are involved in, and consulted about, a variety of School and workplace issues through a range of mechanisms. A range of detailed HR policies support the charitable and business objectives and ensure compliance with employment legislations. These are reviewed at least annually. A Joint Consultative Forum (JCF) is also in place, with representation from SPS and SPJ teaching staff and support staff. The JCF enables employees to raise issues with the Executive on a regular basis and the minutes of those meetings are viewed by the Governors.

The School provides various support mechanisms to promote the wellbeing of employees. These include a confidential Employee Assistance Programme, a chaplain, a medical centre, the provision of flu vaccinations, physiotherapy sessions, School counsellors and reimbursement for eyesight tests together with a contribution towards the cost of glasses.

In accordance with the Equal Opportunities Policy, the School seeks to treat all employees, all other members of the School community and any person visiting the School equally, regardless of their disability. The School expects all employees and all other members of the School community to comply with this policy. If an employee is disabled or becomes disabled during the course of employment, the School will endeavour to support the employee to as great an extent as possible.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

John Colet, Dean of St Paul's, founded St Paul's School in 1509 and placed the administration in the hands of The Mercers' Company. The School is a company limited by guarantee with charitable status (company number 6141973, registered charity number 1119619) which is governed by its Memorandum and Articles of Association. The Mercers' Company, a Livery Company, a body corporate formed by Royal Charter in 1394, is the sole member. The School has two linked charities, The St Paul's School General Charitable Trust (registered charity number 1119619-1) and St Paul's School Central Prize Fund (registered charity number 1119619-2) which hold the School's endowment funds.

Governing Body

The Governors of the School are the trustees of the charity and directors of the company. The Governors serving at the date of this report, and who served throughout the period 1 September 2020 until 31 August 2021 (except where otherwise stated), are:

John Robertson (*Chair*) (retired 31 December 2020)
Richard Cassell (*Chair from 1 January 2021*) (*Deputy Chair until 31 December 2020*)
Tim Haynes (*Deputy Chair from 1 January 2021*)
Sarah Barker
Nicola Doyle (*Health and Safety Governor and Educational Visits Governor*)
Veryan Exelby (*Safeguarding Governor*)
Adam Fenwick
Sir Simon Fraser GCMG (retired 16 December 2020)
Lord Grabiner QC
Harold Hampson
Professor Rose Luckin (retired 8 January 2021)
Samuel Newhouse
Alison Palmer
Sarah Thomas
Chris Vermont

*Committees (Non Governors are marked with an *)*

Property Committee (merged with Finance Committee in October 2021):

Adam Fenwick (*Chair from 1 September 2020*)
John Robertson (until 31 December 2020)
Richard Cassell (from 1 January 2021)
Sally-Anne Huang * (from 1 September 2020)
Chris Vermont
Simon Taylor * (The Mercers' Company)

Education Committee:

Professor Rose Luckin (*Chair*) (until 8 January 2021)
Sarah Thomas (*Chair from 9 January 2021*)
John Robertson (until 31 December 2020)
Nicola Doyle
Tim Haynes

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Finance Committee:

Chris Vermont (*Chair until 31 August 2021*)
Harold Hampson (*Chair from 1 September 2021*)
Richard Cassell (from 1 January 2021)
Adam Fenwick
Samuel Newhouse
Alison Palmer
John Robertson (until 31 December 2020)

Nominations and Remuneration Committee:

Alison Palmer (*Chair*)
Richard Cassell (from 1 January 2021)
John Robertson (until 31 December 2020)
Adam Fenwick
Tim Haynes

Access, Development and Partnerships Committee:

Alistair Summers * (*Chair co-opted*)
Richard Cassell (from 1 January 2021)
John Robertson (until 31 December 2020)
Tom Adeyoola * (from 18 November 2020)
Sarah Barker
Sir Lloyd Dorfman * (until 8 July 2021)
Adam Fenwick
Sir Simon Fraser GCMG (until 16 December 2020)
Samuel Newhouse (from 18 November 2020)

Safeguarding Committee:

Veryan Exelby (*Chair*)
Nicola Doyle
Professor Rose Luckin (until 8 January 2021)
Sarah Thomas
Ibe Akoh * (until 8 July 2021)
Nick Arnold * (from 1 September 2020)
Francis Clough * (from 1 September 2020)
Paul Doyle * (from 1 January 2021)
James Gilks * (until 8 July 2021)
Sally-Anne Huang * (from 1 September 2020)
Clare Kelly * (from 1 September 2021)
Alison Macleod *
Sam Madden *
Naomi McLaughlin * (until 8 July 2021)
Sophie Rees * (until 8 July 2021)
Maxine Shaw *
Nick Watkins *
Alistair Wilkinson * (until 8 July 2021)
Shelagh Willis * (until 31 August 2021)

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Key Management Personnel:

High Master:	Sally-Anne Huang (from 1 September 2020)
Surmaster, St Paul's:	Francis Clough (from 1 September 2020)
Head, St Paul's Juniors:	Maxine Shaw
Finance Director:	Steven Grace
Project Director:	Hayley Richardson (until 15 January 2021)

Recruitment, Induction and Training of Governors

The existing Memorandum and Articles of Association state that there shall be a minimum of ten and a maximum of 16 Governors. Governors are selected by reference to their eligibility, personal competence and specialist skills which are mapped against the skills profile and needs of the whole Governing Body. On appointment Governors are given an induction pack and attend an induction at the School. During the course of the year further training is made available, and recommendations are made about suitable courses for Governors to attend.

Organisational Management

The Governors are responsible for the strategic direction, oversight and regulatory compliance of the School. The management of the School is delegated to the High Master supported by the Executive Management Team. The Governing Body meets at least six times a year. The High Master attends the Governing Body meetings and reports on the management of the School.

The Governing Body has the following sub-committees:

- (a) *Property Committee*: monitoring and oversight of the redevelopment of the School's buildings and managing the upkeep and maintenance of the School's residential property portfolio. This Committee was merged into the Finance Committee in October 2021;
- (b) *Education Committee*: monitors, reports to and advises the Board on the educational strategy of the School and its implementation to include the level and quality of education being provided;
- (c) *Finance Committee*: monitors and reviews all aspects of the School's financial performance, financial management, financial reporting arrangements, budgeting, financial systems and controls. The Committee is also responsible for the School's portfolio of investments, establishing and following the investment policy and making investment decisions;
- (d) *Nominations and Remuneration Committee*: oversight of the selection, nomination and appointment of Governors, the High Master and the Finance Director and of recommendations on senior executive remuneration;
- (e) *Access, Development and Partnerships Committee*: oversight of the development and delivery of open access to St Paul's through bursary provision and programmes of partnership activities; and
- (f) *Safeguarding Committee*: oversight of child protection and safeguarding matters including resourcing, training and an anonymised review of the School's response to cases.

All committees report to the Governing Body and are subject to terms of reference that outline the committee's remit and any delegated authority. The Chairman of the Governing Body has a right, which he exercises, to attend any committee of the Board. The High Master and senior staff attend committee meetings as required.

Key Management Remuneration

The Nominations and Remuneration Committee has delegated responsibility for determining the remuneration and benefits of the High Master and key management personnel, and takes advice and recommendations on the annual salary reviews or any package changes for the key management personnel, including reviewing appropriate salary benchmark information.

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Regulation

The School is regulated by the Department for Education. It is a member of the Independent Schools Council and is inspected by the Independent Schools Inspectorate (ISI).

Registered Office and Advisors

Registered Office:	Lonsdale Road Barnes London SW13 9JT	
Legal:	Veale Wasbrough Vizards Central Court 255 Southampton Buildings Chancery Lane London WC2A 1AL	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 1AL
Auditor:	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Banking:	National Westminster Bank Plc 111 - 117 Putney High Street Putney London SW15 2LL	
Investment Management:	Waverton Investment Management Limited 16 Babmaes Street London SW1Y 6AH	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Actuaries:	Barnett Waddingham 2 London Wall Place London EC2Y 5AU	XPS Pensions Group Tempus Court Onslow Street Guildford GU1 4SS
Insurance Broker:	Hettle Andrews & Associates Limited Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP	
Website: St Paul's School	www.stpaulsschool.org.uk	

ST PAUL'S SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also the trustees and directors of St Paul's School for the purposes of charity and company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records 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 enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

- so far as each Governor 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 Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITOR

Haysmacintyre LLP have indicated their willingness to be reappointed as statutory auditor.

The Governors' Report (including the Strategic Report) has been approved by the Board of Governors and signed on their behalf by:



Richard Cassell
Chair of Governors

9 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL

Opinion

We have audited the financial statements of St Paul's School for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of the net movement in funds, including the 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 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 Governors' 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 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 Governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (which includes the strategic report and the directors' 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' 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 accounting records have not been kept by the charitable company; or

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S SCHOOL (continued)

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

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 17 the Governors (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 Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the 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 Governors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the independent school regulations, safeguarding regulations, health and safety requirements, GDPR, employment law and charity law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, the Statement of Recommended Practice for Charities (SORP 2019), and considered other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of revenue and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant balances, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

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

Use of 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.

Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: 14.12.21

10 Queen Street Place
London
EC4R 1AG

ST PAUL'S SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Charitable activities						
School fees receivable	2	33,999	-	-	33,999	32,567
Ancillary trading income	3	759	-	-	759	1,567
Other trading activities						
Non-ancillary trading income	4	130	-	-	130	181
Investments						
Investment income		-	99	-	99	88
Bank and other interest		175	-	-	175	478
Voluntary sources						
Donations, legacies and grants	5	426	3,200	200	3,826	5,652
Other income						
Surplus on disposal of fixed assets		8	-	-	8	-
Total income		35,497	3,299	200	38,996	40,533
Expenditure on:						
Raising funds						
Non-ancillary trading		5	-	-	5	5
Financing costs	8	1,553	-	-	1,553	1,501
Investment management		25	-	-	25	40
Fundraising and development		857	-	-	857	912
		2,440	-	-	2,440	2,458
Charitable activities						
Education and grant making		32,512	2,210	-	34,722	34,172
Total expenditure	7	34,952	2,210	-	37,162	36,630
Net income from operations before investment gains and transfers						
		545	1,089	200	1,834	3,903
Net gains on investments	10	-	732	545	1,277	78
Transfers between funds		23	(23)	-	-	-
Net income		568	1,798	745	3,111	3,981
Other recognised losses						
Pension scheme actuarial gains/(losses)	19	1,816	-	-	1,816	(1,839)
Net movement in funds		2,384	1,798	745	4,927	2,142
Reconciliation of funds						
Fund balances at 1 September 2020		106,106	6,598	2,751	115,455	113,313
Fund balances at 31 August 2021	18	108,490	8,396	3,496	120,382	115,455

The attached notes on pages 24 to 42 form an integral part of these financial statements.

All of the School's activities represent continuing operations.

See note 24 for the Statement of Financial Activities for the year ended 31 August 2020.

ST PAUL'S SCHOOL

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	2021 Unrestricted and restricted funds £'000	2020 Unrestricted and restricted funds £'000
Income from:		
Charitable activities		
School fees receivable	33,999	32,567
Ancillary trading income	759	1,567
Other trading activities		
Non-ancillary trading income	130	181
Investments		
Investment income	99	88
Bank and other interest	175	478
Voluntary sources		
Donations, legacies and grants - unrestricted	426	449
Donations, legacies and grants - restricted	3,200	5,203
Other income		
Surplus on disposal of fixed assets	8	-
Total income	38,796	40,533
Expenditure on:		
Raising funds		
Non-ancillary trading	5	5
Financing costs	1,553	1,501
Investment management	25	40
Fundraising and development	857	912
	2,440	2,458
Charitable activities		
Education and grant making	34,722	34,172
Total expenditure	37,162	36,630
Net income before investment gains	1,634	3,903
Net gains on investments	732	38
Net income	2,366	3,941

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on page 20 and its presentation is required under the Companies Act 2006.

The attached notes on pages 24 to 42 form an integral part of these financial statements.

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	9	109,331	110,888
Investments	10	8,544	5,217
		<u>117,875</u>	<u>116,105</u>
Current assets			
Stock		94	97
Debtors	11	1,077	1,097
Cash at bank and in hand		61,399	61,529
		<u>62,570</u>	<u>62,723</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(4,251)	(5,539)
		<u>58,319</u>	<u>57,184</u>
Net current assets			
		<u>176,194</u>	<u>173,289</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	13	(53,758)	(53,477)
Provisions for liabilities and charges	14	(100)	(235)
		<u>122,336</u>	<u>119,577</u>
Net assets excluding pension liability			
Pension scheme liability	19	(1,954)	(4,122)
		<u>120,382</u>	<u>115,455</u>
Net assets			
		<u>120,382</u>	<u>115,455</u>
FUNDS			
Endowment funds	18	3,496	2,751
Restricted funds	18	8,396	6,598
Unrestricted funds	18	110,444	110,228
		<u>122,336</u>	<u>119,577</u>
Total funds before pension reserve			
		<u>122,336</u>	<u>119,577</u>
Pension scheme funding reserve	18	(1,954)	(4,122)
		<u>120,382</u>	<u>115,455</u>
Total funds			
		<u>120,382</u>	<u>115,455</u>

The financial statements were approved and authorised for issue by the Governors on 9 December 2021 and were signed below on its behalf by:



Richard Cassell
Chair of Governors



Harold Hampson
Chair of Finance Committee

The attached notes on pages 24 to 42 form an integral part of these financial statements.

ST PAUL'S SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021	2020
		£'000	£'000
Net cash inflow from operations			
Net cash provided by operating activities	20	3,412	4,229
Cash flows from investing activities			
Payments for tangible fixed assets	9	(1,954)	(7,289)
Proceeds from sale of tangible fixed assets		8	-
Payments for investments	10	(2,050)	(185)
Investment income and bank and other interest received		274	566
Net cash used in investing activities		(3,722)	(6,908)
Cash flows from financing activities			
New endowments		200	-
Repayment of obligations under hire purchase contracts		(20)	(24)
Net cash provided by/(used in) financing activities		180	(24)
Change in cash and cash equivalents in the reporting period		(130)	(2,703)
Cash and cash equivalents at the beginning of the reporting period		61,529	64,232
Cash and cash equivalents at the end of the reporting period	21	61,399	61,529
Analysis of movements in net cash			
		2020 £'000	Cash flows £'000
Cash at bank and in hand		61,529	(130)
Total cash and cash equivalents		61,529	(130)
Hire purchase contracts		(97)	20
Private Placement funding falling due after one year		(50,000)	-
Total		11,432	(110)

The attached notes on pages 24 to 42 form an integral part of these financial statements.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

Accounting basis

St Paul's School is a Public Benefit Entity. It is a company limited by guarantee registered in England and Wales (company number 06141973 incorporated on 6 March 2007) and a charity registered with the Charity Commission (charity number 1119619 registered on 12 June 2007). Its registered address is Lonsdale Road, Barnes, London, SW13 9JT.

The accounts have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") – 2nd Edition effective 1 January 2019. They are drawn up under the historical cost basis of accounting as modified by the revaluation of investments.

As highlighted in the Governors' Report, having assessed the School's financial position, the plans for the foreseeable future, the risks to which the School is exposed including the ongoing impact of the COVID-19 pandemic and the detailed cash projections, the Governors are satisfied that it remains appropriate to prepare the financial statements on a going concern basis. There are considered to be no material uncertainties regarding the School's going concern status.

The School's wholly owned subsidiary, St Paul's School Enterprises Limited, was incorporated on 29 May 2019 with £1 of issued share capital. The company remains dormant as at 31 August 2021. Consolidated accounts have not been prepared as the subsidiary remained dormant and any consolidation adjustments would be immaterial.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. 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 affects current and future periods. The Governors consider the following items to be areas subject to estimation and judgement:

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience.

Pensions:

The principal assumptions used to calculate the liabilities in the defined benefit pension scheme are those as set out in note 19.

Legacies:

Accruing for income derived from legacies where complicated issues surrounding the measurement of the School's entitlement to income existed at the year-end. See note 23 for further details.

Provisions:

Provisions represent the best estimate of legal costs to be incurred post year-end in respect of the historic abuse allegations. See note 14 for further details.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

Fees and similar income

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

Government grant income

Government grant income represents the total amount claimed from HM Revenue and Customs under the Coronavirus Job Retention Scheme (CJRS). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

Rental and investment 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.

Donations and legacies and other voluntary income

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

Donations received for the general purposes of the School are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Funds, where the amount is held as expendable capital, or to Endowment Funds.

For legacies, entitlement is the earlier of the School being notified of an impending distribution or the legacy being received.

Expenditure

Expenditure is accounted for on an accruals basis where there is a legal and constructive obligation to make a payment to a third party and the amount of the obligation can be measured reliably. Expenditure is allocated to the appropriate headings relevant to the charitable 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. Charitable expenditure represents the costs of running the School including salaries, catering, premises and welfare costs. Costs of raising funds include non-ancillary trading, financing, investment management and fundraising and development costs.

Grants

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

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

Funds

The School has three types of funds:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purpose for which the funds may be used has been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the School.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

Pension schemes

The School contributes to the Teachers' Pension Scheme. This is a multi-employer pension scheme and it is not possible to identify the School's share of the underlying assets and liabilities on a consistent and reasonable basis. Therefore, as required by FRS 102, the School accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The School also contributes to St Paul's Schools' Non-Teaching Staff Pension Fund. The scheme is a defined benefit scheme in accordance with section 28 of FRS 102. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to financing costs in the Statement of Financial Activities.
- Pension finance charges arising from similar changes are recognised as expenditure.
- Remeasurement gains and losses are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities and major assumptions are shown in note 19.

Following the closure of the Non-Teaching Staff defined benefit scheme to new members and also to future accrual with effect from 1 January 2016, all Non-Teaching members of staff, unless they choose to opt out, contribute into a separate defined contribution scheme. Costs associated with this scheme are charged to the Statement of Financial Activities in the period in which the salaries to which they relate are payable.

Short term benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accruals basis and in accordance with FRS 102.

Capitalisation and replacement

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.

Depreciation

Depreciation of assets is provided at rates to write off the cost over their estimated useful lives as follows:

- | | |
|--|----------|
| • School and residential buildings | 50 years |
| • Leasehold improvements | 20 years |
| • School and residential refurbishments | 10 years |
| • School equipment and musical instruments | 10 years |
| • Furniture and fittings | 4 years |
| • Vehicles and boats | 4 years |
| • Computers | 3 years |

Assets held under construction are not depreciated as the assets have not yet been brought into use. On completion the assets will be transferred to buildings and depreciated over their expected useful life.

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instrument and are initially shown in the financial statements at cost. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Gains and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sale proceeds and opening carrying value or the purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year-end and their opening carrying value. Realised and unrealised investment gains and losses are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

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, trade and fee debtors, other debtors and accrued income. A specific provision is made for debts for which recoverability is in doubt. Cash and cash equivalents are defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise deposits, fees in advance, trade creditors, other creditors and Private Placement funding. Financial liabilities measured at fair value comprise the pension scheme liability.

Stock

Stock representing books, stationery, padlocks and kitchen supplies, is stated at the lower of cost and estimated realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due for the provision of services delivered. Prepayments are recognised at the amount prepaid or the amount paid in advance.

Cash and cash equivalents

Cash and cash equivalents include cash and deposits with a short term maturity of 12 months or less from the date of opening the deposit account.

Creditors

Creditors are recognised where the School has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Amounts are recognised at their settlement amount.

Provisions for liabilities

Provisions are made where an event has taken place that gives the School a legal or constructive obligation that probably requires settlement by a transfer of economic benefits, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Financial Activities in the year that the School becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Where payments are eventually made, they are charged to the provision carried in the balance sheet.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2021	2020
	£'000	£'000
Fees receivable consist of:		
School fees	36,250	35,439
Add: bad debts recovered	4	3
Less: Spring term 2021 / Summer term 2020 fee rebate	(1,067)	(1,639)
Less: total bursaries, grants and allowances	(3,285)	(2,611)
	<u>31,902</u>	<u>31,192</u>
Add: scholarships, grants, etc. received from restricted funds	2,097	1,375
	<u>33,999</u>	<u>32,567</u>
Included within total bursaries, grants and allowances are means-tested bursaries of £2,698,000 paid to 130 pupils (2020: £2,097,000 paid to 121 pupils). 80% (2020: 62%) of these awards were either full fee or higher than 75% of fees.		
3. CHARITABLE ACTIVITIES - ANCILLARY TRADING INCOME	2021	2020
	£'000	£'000
Fee extras (including School trips)	489	1,252
Entrance and registration fees	240	216
Tuck shop sales income	4	60
Commissions and other income	26	39
	<u>759</u>	<u>1,567</u>
4. OTHER TRADING - NON-ANCILLARY TRADING INCOME	2021	2020
	£'000	£'000
Hire of School facilities	74	83
Rental income	12	67
External training income	42	31
Merchandise income	2	-
	<u>130</u>	<u>181</u>
5. DONATIONS, LEGACIES AND GRANTS	2021	2020
	£'000	£'000
Donations for:		
Bursaries	2,909	1,893
Prizes and other awards	5	1
Rebuilding fund	2	3,023
Other	404	338
	<u>3,320</u>	<u>5,255</u>
Legacies	350	7
Government grant income (CJRS)	156	390
	<u>3,826</u>	<u>5,652</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

6. STAFF COSTS

	2021	2020
	£'000	£'000
The aggregate payroll costs for the year were as follows:		
Wages and salaries	16,984	17,266
Social security costs	2,023	2,079
Pension costs:		
Defined contribution scheme	376	400
Defined benefit scheme	220	154
Teachers' Pension Scheme	2,681	2,646
Medical insurance	98	102
Consultancy costs	127	137
Contract staff costs	826	569
Recruitment costs	89	108
Other	20	22
Redundancy / termination payments	43	114
	23,487	23,597

None of the Governors received any remuneration or other benefits (2020: none).

Aggregate employee benefits of key management personnel	1,061	1,258
	2021	2020
	Number	Number

The number of employees whose emoluments in the year exceeded £60,000 was:

£60,000 - £69,999	49	50
£70,000 - £79,999	49	48
£80,000 - £89,999	20	22
£90,000 - £99,999	4	4
£100,000 - £109,999	1	-
£110,000 - £119,999	-	1
£120,000 - £129,999	3	3
£140,000 - £149,999	2	2
£150,000 - £159,999	-	1
£200,000 - £209,999	-	1
£210,000 - £219,999	1	-
£270,000 - £279,999	1	-
£330,000 - £339,999	-	1

Of the above staff members 125 (2020: 126) have benefits accruing under defined benefit pension schemes and five (2020: seven) have benefits accruing under the defined contribution scheme. Employer's contributions for the defined contribution scheme were £49,300 (2020: £71,267).

The average number of the School's employees during the year calculated on a full time equivalent basis was 300 (2020: 291) and on a head count basis was 359 (2020: 352).

Full time equivalent basis	2021	2020
	Number	Number
Teaching	195	183
Welfare	4	4
Premises	29	30
Support	62	64
Other	10	10
	300	291

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

6. STAFF COSTS (continued)

Head count basis	2021 Number	2020 Number
Teaching	221	212
Welfare	7	8
Premises	36	32
Support	83	88
Other	12	12
	<u>359</u>	<u>352</u>

7. ANALYSIS OF TOTAL EXPENDITURE

2021	Staff costs £'000	Other £'000	Depreciation £'000	Total 2021 £'000
Costs of raising funds				
Non-ancillary trading	-	5	-	5
Financing costs (note 8)	59	1,494	-	1,553
Investment management	-	25	-	25
Fundraising and development	631	226	-	857
	<u>690</u>	<u>1,750</u>	<u>-</u>	<u>2,440</u>
Charitable activities				
Education	17,983	2,285	605	20,873
Welfare	222	1,366	8	1,596
Premises	2,028	2,308	2,898	7,234
Support costs and governance	2,564	245	-	2,809
Grants, awards and prizes	-	2,210	-	2,210
	<u>22,797</u>	<u>8,414</u>	<u>3,511</u>	<u>34,722</u>
Total expenditure	<u>23,487</u>	<u>10,164</u>	<u>3,511</u>	<u>37,162</u>
2020	Staff costs £'000	Other £'000	Depreciation £'000	Total 2020 £'000
Costs of raising funds				
Non-ancillary trading	-	5	-	5
Financing costs (note 8)	42	1,459	-	1,501
Investment management	-	40	-	40
Fundraising and development	643	269	-	912
	<u>685</u>	<u>1,773</u>	<u>-</u>	<u>2,458</u>
Charitable activities				
Education	18,255	3,059	525	21,839
Welfare	247	1,353	2	1,602
Premises	1,788	1,998	2,518	6,304
Support costs and governance	2,622	272	-	2,894
Grants, awards and prizes	-	1,533	-	1,533
	<u>22,912</u>	<u>8,215</u>	<u>3,045</u>	<u>34,172</u>
Total expenditure	<u>23,597</u>	<u>9,988</u>	<u>3,045</u>	<u>36,630</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

7. ANALYSIS OF TOTAL EXPENDITURE (continued)

Governance costs included in support costs:	2021 £'000	2020 £'000
Auditor's remuneration:		
For audit	34	33
For corporation tax	3	4
Staff costs	39	38
Legal and professional fees	84	73
Other	21	18
	<u>181</u>	<u>166</u>

The School has obtained permission from the Charity Commission to offer a scheme of redress in respect of the historic abuse allegations and ex-gratia payments totalling £3,000 were made during the year ended 31 August 2021 (2020: £22,000). See note 14 for further information.

Four Governors (2020: five) were reimbursed travel, accommodation and other expenses amounting to £394 during the year (2020: £4,036). Amounts paid directly to third parties on behalf of Governors during the year amounted to £15,569 (2020: £13,477). These expenses consisted of training costs, subscriptions, legal fees, catering costs for Board and sub-committee meetings, costs associated with the Governors' away day and entertainment costs on School business.

GRANTS, AWARDS AND PRIZES	2021 £'000	2020 £'000
From restricted and endowed funds		
Bursaries and other awards	2,139	1,407
Prizes and leaving awards	71	126
	<u>2,210</u>	<u>1,533</u>

8. FINANCING COSTS	2021 £'000	2020 £'000
Private placement financing costs	1,458	1,458
Hire purchase interest	4	1
Net finance costs of defined benefit pension scheme	59	42
Provision for bad debts	32	-
	<u>1,553</u>	<u>1,501</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

9. TANGIBLE ASSETS	Assets held under construction £'000	Charitable properties £'000	Furniture fittings & Equipment £'000	Vehicles and Boats £'000	Total £'000
Cost					
At 1 September 2020	2,027	118,754	4,596	702	126,079
Additions	376	1,045	459	74	1,954
Disposals	-	-	(17)	-	(17)
At 31 August 2021	2,403	119,799	5,038	776	128,016
Depreciation					
At 1 September 2020	-	11,650	2,896	645	15,191
Charge for the year	-	2,817	662	32	3,511
Disposals	-	-	(17)	-	(17)
At 31 August 2021	-	14,467	3,541	677	18,685
Net book value					
At 31 August 2021	2,403	105,332	1,497	99	109,331
At 31 August 2020	2,027	107,104	1,700	57	110,888

As at 31 August 2021, the School has capital commitments of £329,120 (2020: £242,288) in relation to the School's rebuilding programme. The net book value of assets held under hire purchase contracts was £77,211 (2020: £117,495). The depreciation charge for the year was £40,284 (2020: £3,357).

10. INVESTMENTS	2021 £'000	2020 £'000
Listed investments:		
Valuation at 1 September 2020	5,217	4,954
Additions at cost	2,050	185
Net gains on investments	1,277	78
Valuation at 31 August 2021	8,544	5,217
Total investments at 31 August 2021	8,544	5,217
Investments comprise:		
Listed investments		
Equities	7,624	4,281
Bonds	367	301
Pooled investment vehicles	386	285
Cash holdings	167	350
Total investments at 31 August 2021	8,544	5,217
Cost of investments	6,845	4,795

Of the total investments of £8,544,000 (2020: £5,217,000), £3,056,000 (2020: £2,026,000) are held in the UK and £5,488,000 (2020: £3,191,000) are held overseas.

The School also has a £1 investment (2020: £1) in its subsidiary undertaking, St Paul's School Enterprises Limited, which was incorporated on 29 May 2019. The company has been dormant since incorporation.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

11. DEBTORS	2021 £'000	2020 £'000
Fees	24	64
Sundry debtors	359	36
Prepayments and accrued income	694	997
	<u>1,077</u>	<u>1,097</u>
12. CREDITORS: due within one year	2021 £'000	2020 £'000
Trade creditors	757	541
Fees received in advance	872	1,825
Refundable deposits (note 15)	468	496
Hire purchase contracts (note 15)	20	20
Other taxes and social security costs	11	14
Other creditors	265	564
Accruals and deferred income	1,858	2,079
	<u>4,251</u>	<u>5,539</u>

Deferred income brought forward as at 1 September 2020 was £64,000 (2019: £131,000) and carried forward as at 31 August 2021 was £159,000 (2020: £64,000). This mostly related to advance School bus income received. The amount released to the Statement of Financial Activities in the year was £64,000 (2020: £131,000).

13. CREDITORS: amounts falling due after more than one year	2021 £'000	2020 £'000
Fees received in advance	152	69
Refundable deposits (note 15)	3,549	3,331
Hire purchase contracts (note 15)	57	77
Private Placement funding	50,000	50,000
	<u>53,758</u>	<u>53,477</u>

On 7 June 2017, the School entered into a private placement arrangement with BAE Systems Pension Scheme for £15m of funding at a coupon rate of 2.3% towards the construction costs of Phase 2 of the General Teaching Building. Drawdown of the funds took place in June 2018 and the capital will be repaid over ten equal annual instalments of £1.5m commencing in 2028. On 12 March 2019, the School entered into a second private placement arrangement with The Prudential Insurance Company of America for £35m of funding at a coupon rate of 3.18% towards the construction costs of the next phases of the School masterplan which includes the rebuilding of the Junior School. Drawdown of the funds took place in March 2019 and the capital will be repaid over 14 equal annual instalments of £2.5m commencing in 2039.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2021	2020
	£'000	£'000
As at 1 September 2020	235	467
Amounts utilised	(87)	(123)
Decrease in provision	(48)	(109)
	<u>100</u>	<u>235</u>
As at 31 August 2021	<u>100</u>	<u>235</u>

Provisions for liabilities and charges of £100,000 as at 31 August 2021 (2020: £235,000) relates to the best estimate of legal costs to be incurred subsequent to the year-end in respect of the historic abuse allegations. £48,000 of the provision was released as at 31 August 2021 (2020: £109,000) as it was no longer required.

15. REFUNDABLE DEPOSITS AND HIRE PURCHASE CONTRACTS

	Refundable deposits		Hire purchase contracts	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
After 5 years	1,562	1,432	-	-
Between 2 to 5 years	1,453	1,438	37	57
Between 1 to 2 years	534	461	20	20
	<u>3,549</u>	<u>3,331</u>	<u>57</u>	<u>77</u>
After more than 1 year	468	496	20	20
Within 1 year	<u>4,017</u>	<u>3,827</u>	<u>77</u>	<u>97</u>

16. OPERATING LEASE COMMITMENTS

Operating leases that are subject to future minimum lease commitments are as follows:

	2021	2020
	£'000	£'000
As Lessee:		
Less than 1 year		
Photocopiers	48	48
Franking machines	20	20
Computers	30	13
Land and buildings	1	1
Between 1 and 2 years		
Photocopiers	48	48
Franking machines	20	20
Computers	27	13
Land and buildings	1	1
Between 2 and 5 years		
Photocopiers	36	84
Franking machines	30	50
Computers	6	10
Land and buildings	3	3
Over 5 years		
Land and buildings	756	757
	<u>1,026</u>	<u>1,068</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

**16. OPERATING LEASE COMMITMENTS
(continued)**

	2021 £'000	2020 £'000
As Lessor:		
Less than 1 year		
Land and buildings	39	39
Between 1 and 2 years		
Land and buildings	39	39
Between 2 and 5 years		
Land and buildings	-	39
	<u>78</u>	<u>117</u>
Amounts charged / (credited) to Statement of Financial Activities:		
Photocopiers	48	55
Franking machines	20	20
Computers	19	-
Land and buildings - expenditure	2	1
Land and buildings – income	(39)	(60)

17. ANALYSIS OF NET ASSETS

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

	Tangible fixed assets £'000	Investments £'000	Net current assets £'000	Long term liabilities, provisions & pension deficit £'000	Total £'000
2021					
Endowment funds	-	3,482	14	-	3,496
Restricted funds	-	5,062	3,334	-	8,396
Unrestricted funds	109,331	-	54,971	(55,812)	108,490
	<u>109,331</u>	<u>8,544</u>	<u>58,319</u>	<u>(55,812)</u>	<u>120,382</u>
2020					
Endowment funds	-	2,737	14	-	2,751
Restricted funds	-	2,480	4,118	-	6,598
Unrestricted funds	110,888	-	53,052	(57,834)	106,106
	<u>110,888</u>	<u>5,217</u>	<u>57,184</u>	<u>(57,834)</u>	<u>115,455</u>

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

18. FUNDS	Balance 1 September 2020 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2021 £'000
Endowed funds					
Scholarship funds	270	200	-	76	546
Bursary funds	2,152	-	-	399	2,551
Prize funds	329	-	-	70	399
	<u>2,751</u>	<u>200</u>	<u>-</u>	<u>545</u>	<u>3,496</u>
Restricted funds					
Bursaries	3,537	2,989	(2,139)	553	4,940
Scholarships	118	6	(4)	18	138
Prizes and other funds	1,274	302	(67)	140	1,649
Rebuilding fund	1,669	2	-	(2)	1,669
	<u>6,598</u>	<u>3,299</u>	<u>(2,210)</u>	<u>709</u>	<u>8,396</u>
Unrestricted funds					
General reserve	110,228	35,497	(35,304)	23	110,444
Pension scheme funding reserve	(4,122)	-	352	1,816	(1,954)
	<u>106,106</u>	<u>35,497</u>	<u>(34,952)</u>	<u>1,839</u>	<u>108,490</u>
Total funds	<u>115,455</u>	<u>38,996</u>	<u>(37,162)</u>	<u>3,093</u>	<u>120,382</u>
COMPARATIVE FIGURES	Balance 1 September 2019 £'000	Income £'000	Expenditure £'000	Transfers & Other Gains / (Losses) £'000	Balance 31 August 2020 £'000
Endowed funds					
Scholarship funds	260	-	-	10	270
Bursary funds	2,119	-	-	33	2,152
Prize funds	332	-	-	(3)	329
	<u>2,711</u>	<u>-</u>	<u>-</u>	<u>40</u>	<u>2,751</u>
Restricted funds					
Bursaries	2,959	1,961	(1,407)	24	3,537
Scholarships	113	5	(3)	3	118
Prizes and other funds	1,107	302	(123)	(12)	1,274
Rebuilding fund	1,669	3,023	-	(3,023)	1,669
	<u>5,848</u>	<u>5,291</u>	<u>(1,533)</u>	<u>(3,008)</u>	<u>6,598</u>
Unrestricted funds					
General reserve	107,456	35,242	(35,516)	3,046	110,228
Pension scheme funding reserve	(2,702)	-	419	(1,839)	(4,122)
	<u>104,754</u>	<u>35,242</u>	<u>(35,097)</u>	<u>1,207</u>	<u>106,106</u>
Total funds	<u>113,313</u>	<u>40,533</u>	<u>(36,630)</u>	<u>(1,761)</u>	<u>115,455</u>

ST PAUL'S SCHOOL**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 AUGUST 2021****18. FUNDS (continued)****Endowed funds**

Endowed funds are for scholarship, 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.

Restricted funds

The bursary and scholarship funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries and scholarships for pupils. Prize funds are for the costs associated with awarding the various prizes. The rebuilding fund was created for building programmes. The transfer from the rebuilding fund to the unrestricted general reserve of £2,000 (2020: £3,023,000) relates to the use of restricted donations towards the capital expenditure on buildings during the year. Other transfers from restricted funds to the unrestricted general reserve include the use of restricted donations towards the capital expenditure on the SPJ Pavilion of £Nil (2020: £7,000) and the purchase of new rowing boats of £21,000 (2020: £9,000), and the use of restricted income earned on endowed prize donations for the award of prizes to pupils of £Nil (2020: £6,000).

19. PENSIONS**a) Non-Teaching Staff Pension Fund**

The School makes contributions to the St Paul's Schools Non-Teaching Staff Pension Fund, a defined benefit scheme in the UK. Since 1 November 2006, the scheme has been closed to new members and closed to future accrual on 1 January 2016. Contributions (including the expense allowance) for the year ended 31 August 2022 are expected to be £606,000. The disclosures shown below adopt the accounting standard FRS 102.

A full actuarial valuation of the scheme was carried out as at 31 August 2017 and has been updated to 31 August 2021 by a qualified independent actuary. The full actuarial valuation due as at 31 August 2020 is still in progress. The major assumptions used by the actuary were (in nominal terms) as follows:

	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 increase assumption	3.10	2.70
2.5% LPI pension increase assumption	2.30	2.20

Assumed life expectancies on retirement at age 60 are:

Retiring today	Males	25.3	26.3
	Females	29.3	28.6
Retiring in 20 years' time	Males	26.8	27.8
	Females	30.8	30.1

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

19. PENSIONS (continued)

The assets in the scheme and their values were:

	2021	2020
	£'000	£'000
Equities	6,798	5,441
Cash and other assets	45	28
Secured pensions	261	355
Absolute return fund	6,342	5,889
	<u>13,446</u>	<u>11,713</u>

Fair value of scheme assets

The actual return on assets over the period was

1,855 (313)

The amounts recognised in the balance sheet are as follows:

	2021	2020
	£'000	£'000
Present value of funded obligations	(15,400)	(15,835)
Fair value of scheme assets	<u>13,446</u>	<u>11,713</u>

Deficit in funded scheme = net liability in balance sheet

(1,954) (4,122)

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2021	2020
	£'000	£'000
Benefit obligation at beginning of year	15,835	14,838
Interest cost	234	247
Actuarial (gains)/losses	(136)	1,321
Benefits paid (excluding expenses)	(533)	(571)
	<u>15,400</u>	<u>15,835</u>

Benefit obligation at end of year

Reconciliation of opening and closing balances of the fair value of scheme assets

	2021	2020
	£'000	£'000
Fair value of scheme assets at beginning of year	11,713	12,136
Interest income on scheme assets	175	205
Return on assets (excluding interest income)	1,680	(518)
Contributions by employers	567	567
Benefits paid (excluding expenses)	(533)	(571)
Scheme administrative cost (i.e. expenses paid)	(156)	(106)
	<u>13,446</u>	<u>11,713</u>

Fair value of scheme assets at end of year

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

19. PENSIONS (continued)

	2021	2020
	£'000	£'000
Amounts recognised in the Statement of Financial Activities		
Service cost – administrative cost (i.e. expenses paid)	156	106
Net interest on the net defined benefit liability	59	42
	<u>215</u>	<u>148</u>
Total amount charged to the Statement of Financial Activities	<u>215</u>	<u>148</u>
	2021	2020
	£'000	£'000
Remeasurements of the net defined benefit liability to be shown in SOFA		
Actuarial (gains)/losses on the liabilities	(136)	1,321
Return on assets (excluding interest income)	(1,680)	518
	<u>(1,816)</u>	<u>1,839</u>
Total remeasurement of the net defined benefit liability to be shown in SOFA	<u>(1,816)</u>	<u>1,839</u>

Information about the type of scheme and funding policy

The scheme provides pensions in retirement and death benefits to members. Pension benefits are linked to members' final salary at the date of leaving employment and their length of service up to the date on which the scheme closed to future accrual, 1 January 2016.

The scheme is a registered scheme under UK legislation and is subject to the scheme funding requirements outlined in UK legislation.

The scheme was established from 1 June 1989 under trust and is governed by the scheme's definitive trust deed and rules dated 5 July 2001. The trustees are responsible for the operation and governance of the scheme, including making decisions regarding the scheme's funding and investment strategy.

Information about the most recent actuarial valuation of the defined benefit obligation at the accounting date

The most recently completed formal actuarial valuation of the scheme was at 31 August 2017. This showed that on that date, the value of the technical provisions was £21.857m and the value of the assets was £17.247m, giving rise to a deficit of £4.61m.

The value of the liabilities has been estimated by updating the results of the actuarial valuation as at 31 August 2017 to allow for the passage of time, actual inflation experience, benefits paid out of the scheme and changes in actuarial assumptions over the period from 31 August 2017 to 31 August 2021.

Such an approach is normal for the purpose of accounting disclosures. It is not expected that these projections will be materially different from the summation of individual calculations at the accounting date, although there may be some discrepancy between the actual liabilities for the scheme at the accounting date and those included in the disclosures.

The next formal actuarial valuation of the scheme is due as at 31 August 2020 but is not expected to be published until November 2021.

b) Teaching Staff 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 £2,681,000 (2020: £2,646,000) and at the year-end £Nil (2020: £Nil) was accrued in respect of contributions to this scheme.

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

19. PENSIONS (continued)

b) Teaching Staff Pension Scheme (continued)

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 2021 on proposed changes to the cost cap 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.

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 review 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.

c) Defined Contribution Pension Scheme

The School pays into a defined contribution scheme for non-teaching staff. The superannuation charge represents the School's contributions to the scheme of £376,000 (2020: £400,000). There were no contributions outstanding at the year-end (2020: £Nil).

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

20. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2021 £'000	2020 £'000
Net income	3,111	3,981
Elimination of non-operating cash flows:		
Dividend income	(99)	(88)
Interest receivable	(175)	(478)
Endowment donations	(200)	-
Defined benefit pension scheme adjustments	(352)	(419)
Depreciation charge	3,511	3,045
Gains on investments	(1,277)	(78)
Surpluses on disposal of tangible fixed assets	(8)	-
Decrease/(increase) in stock	3	(11)
Decrease in debtors	20	76
Decrease in creditors (excluding hire purchase and refundable deposits)	(1,177)	(1,659)
Decrease in provisions	(135)	(232)
Increase in refundable deposits	190	92
Net cash inflow from operations	<u>3,412</u>	<u>4,229</u>
21. ANALYSIS OF CASH AND CASH EQUIVALENTS	2021 £'000	2020 £'000
Cash in hand and instant access bank accounts	5,262	11,248
Notice and fixed term deposit accounts	56,137	50,281
	<u>61,399</u>	<u>61,529</u>
22. RELATED PARTY TRANSACTIONS		

The following transactions occurred during the year with related parties:

The Mercers' Company granted £30,000,000 for the School's redevelopment payable over 10 years effective 31 August 2011, ending 31 August 2020. The tenth and final instalment of £3,000,000 was received during the year ended 31 August 2020 through St Paul's Schools Foundation.

The School paid rent of £1,000 (2020: £1,000) to St Paul's Schools Foundation during the year.

Donations received from Governors without conditions during the year ended 31 August 2021 totalled £9,849 (2020: £4,875).

Veryan Exelby is a Governor of the School. She is a partner at Farrer & Co who provide legal services to the School. For the year ended 31 August 2021, total legal fees incurred for services provided by Farrer & Co were £4,852 (1 July – 31 August 2020: £4,010). As at 31 August 2021, the amount due to Farrer & Co was £Nil (2020: £Nil).

During the year ended 31 August 2020, a donation of £750 (2021: £Nil) was made to a school affiliated to the Mercers' Company in support of a fundraising campaign.

There are no other related party transactions for the years ended 31 August 2021 or 2020.

ST PAUL'S SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

23. CONTINGENT ASSETS

The School is due to receive the balance of an estate in respect of a legacy but, as the income cannot be measured reliably, no amounts have been recognised in the Statement of Financial Activities.

24. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE FIGURES BY FUND TYPE

	Unrestricted funds £'000	Restricted funds £'000	Endowed funds £'000	Total funds £'000
Income and endowments from:				
Charitable activities				
School fees receivable	32,567	-	-	32,567
Ancillary trading income	1,567	-	-	1,567
Other trading activities				
Non-ancillary trading income	181	-	-	181
Investments				
Investment income	-	88	-	88
Bank and other interest	478	-	-	478
Voluntary sources				
Donations and legacies	449	5,203	-	5,652
Total income	35,242	5,291	-	40,533
Expenditure on:				
Raising funds				
Non-ancillary trading	5	-	-	5
Financing costs	1,501	-	-	1,501
Investment management	40	-	-	40
Fundraising and development	912	-	-	912
	2,458	-	-	2,458
Charitable activities				
Education and grant making	32,639	1,533	-	34,172
Total expenditure	35,097	1,533	-	36,630
Net income from operations before investment gains and transfers	145	3,758	-	3,903
Net gains on investments	-	38	40	78
Transfers between funds	3,046	(3,046)	-	-
Net income	3,191	750	40	3,981
Other recognised losses				
Pension scheme actuarial losses	(1,839)	-	-	(1,839)
Net movement in funds	1,352	750	40	2,142
Fund balances at 1 September 2019	104,754	5,848	2,711	113,313
Fund balances at 31 August 2020	106,106	6,598	2,751	115,455