

Registered company number: 06871042
Registered charity number: 1130254

**THE LADY ELEANOR HOLLES SCHOOL
(A CHARITABLE COMPANY LIMITED BY GUARANTEE)
REPORT OF THE GOVERNORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

CHAIRMAN'S LETTER

I am pleased to present the Directors' report and financial statements for LEH and its subsidiaries for the year ended 31 August 2021.

The year was again dominated by the effects of the Covid-19 pandemic, with the Government requiring schools to be closed for all but the last two weeks of the Spring Term and GCSE and A Level exams in the Summer Term again being cancelled. With the benefit of experience from last year, hybrid teaching remained in place throughout the year and fully-remote teaching was required for much of the Spring Term. This was enabled in part by significant enhancements we have been able to make to our technology infrastructure. Instead of the usual public exams, the School was required to prepare Teacher Assessed Grades for GCSE and A Level pupils, a very time-consuming process for teachers and management and stressful for pupils and parents. Despite these strains, the results achieved by our pupils were outstanding once more.

In recognition of the fact that in-person teaching and certain extra-curricular activities could not be provided for most of the Spring Term, the Governors decided to offer a discount of 10 percent off the term's fees. Those parents who felt able to were again encouraged to contribute this amount to the Hardship Fund set up in the previous Summer Term to help others who were experiencing difficulty in paying the fees as a result of the economic effects of the pandemic. We are very grateful to those families who chose to do this.

Net income for the year before unrealised investment gains was £1,028,000 compared to £882,000 for the prior year. This slight improvement in surplus, which is reinvested in the school, was achieved despite there being no general fee increase for the year and through the continued careful management of our costs. In particular, staff costs increased only marginally due to our decision, reluctantly, not to increase staff salaries. We also benefited again from furlough receipts from the Government, albeit at a lower level than the previous year. We continued to provide bursaries and other means-tested awards to some 8 percent of our Senior School students, although our other public benefit activities were significantly reduced compared to previous years because of Covid-19 related restrictions.

In response to continued high demand for places and because of the unusually high quality of candidates applying for entry to the Senior School in September 2021, the Governors took the decision in early 2021 to offer places to some 45 additional pupils and to construct a new classroom block to accommodate them and alleviate other pressures on teaching and meeting space. The first phase of this £4 million project was funded from our existing cash resources and was completed over the Summer of 2021. The ground floor of the building was occupied at the start of term in September and a second floor will be added in the Summer of 2022.

Looking further forward, the Governors and senior management have recently finalised the School's Strategic Plan 2020-2025, which had been delayed by the pandemic, and work is already underway in several areas. The plan continues our focus on ensuring excellent educational opportunities and outcomes for our students, whilst recognising the increasing importance of inclusion and diversity as well as sustainability and the environment, balanced with the need to remain financially responsible.

David King
Chairman of the Governing Board
25 January 2022

DIRECTORS, CHARITY TRUSTEES AND GOVERNORS

The Directors of The Lady Eleanor Holles School ("LEH" or the "School") are also the Charity Trustees and the Governors of the School. The Directors, all of whom served throughout the year ended 31 August 2021 and up to the date of this report (except where otherwise stated), are as follows:

David King (Chairman)
Sister Paula Thomas (Vice Chair)
Sampa Bhasin (appointed 1 September 2021)
Annabel Blair
Paul Davies (appointed 29 October 2021)
Martin George
Robert Milburn
Cathy Millis
Barbara Parson
Steven Pitchford
Richard Price
Catherine Thomas
Charlotte Thomas
Wendy Wildman (Resigned 31 August 2021)

OFFICERS

Heather Hanbury
Michael Berkowitch
Sarah Whitehouse

Head Mistress
Director of Finance and Operations
Company Secretary

AUDITORS

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

BANKERS

Barclays Bank plc
6 Clarence Street
Kingston Upon Thames
KT1 1HD

ADDRESS AND REGISTERED OFFICE

The Lady Eleanor Holles School
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DIRECTORS' REPORT

The Governors present their annual report for the year ended 31 August 2021 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and Strategic Report under the Companies Act 2006, together with the audited financial statements for the year.

STATUS AND ADMINISTRATION

The Cripplegate Schools Foundation was created in 1711 from a number of charitable gifts made for educational purposes to the Parish of St Giles without Cripplegate, in the City of London. The largest of these gifts were made by Elizabeth Palmer and later by Lady Eleanor Holles under her will of 1708. In the latter part of the nineteenth century the Vestry of the Parish ran three schools in the City of London and nearby Hackney. Today there is just the one school in Hampton, Middlesex, which is run as an independent, fee-paying, day school for girls.

The Lady Eleanor Holles School was incorporated as a charitable company, limited by guarantee, on 6 April 2009, and registered in England under company number 6871042 and charity number 1130254 and is the corporate trustee of the Cripplegate Schools Foundation.

The Foundation was originally registered with the Charity Commission under charity number 312493. Under a Charity Commission Scheme made on 1 November 2009 all unendowed assets and liabilities of the Foundation were transferred to the School and the endowed Foundation itself became a branch charity of the School with a new charity registration number (1130254-1) which is administered and accounted for by the School as its sole trustee.

On 4 April 2016, the School formed a wholly owned subsidiary, The Lady Eleanor Holles School International Limited, which is incorporated and registered in England as a limited company under company number 10099390. Its principal activity is to pursue opportunities for opening British schools outside the UK.

The Foundation's Permanent Endowment comprises the School's original land and its original buildings. The School uses the income from its other investments for the benefit of the School in the provision of scholarships, exhibitions, bursaries and prizes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The School is governed by its Memorandum and Articles of Association, which have not been amended since incorporation in 2009.

Board of Governors

The Board is self-appointing. The term of office for each Governor is four years and Governors normally serve for two terms but may serve for a short additional period or even a third term by agreement of the Board.

Governors are appointed following a recruitment process and on the basis of recommendations from the Nominations and Governance Committee. The Governors are committed to ensuring that an open, transparent and inclusive process is followed in identifying and selecting new governors to join the Board. They regularly recruit using external agencies (e.g. Reach Volunteering) to ensure they attract independent members for the Board beyond alumnae and former parents.

Recruitment, Induction and Training of Governors

Governors are recruited from a wide variety of backgrounds, thus enhancing the standard of debate and strategic judgement. The professional background of the current Governors covers education, property, accountancy, human resources, banking, law and marketing. In terms of locality, the aim is to provide a balance of those who know the School and the local area as well as those who come from farther away but are able to provide a wider strategic view of the market in which the School operates.

Former pupils and parents of former pupils may serve as Governors provided they have the requisite experience and skills and further provided that former pupils and parents of former pupils do not, except in exceptional circumstances, constitute in the aggregate more than half of the Board. It is the Governors' policy not to recruit parents of current pupils.

New Governors are inducted into the workings of the School, including Board and School policies and procedures, and typically attend specialist external courses on the role and responsibilities of directors, governors and charity trustees.

Governors attend external trustee training and information courses to keep them informed and updated on current issues in the sector and regulatory requirements. Governors are also encouraged to attend school lessons at least once a year as well as a variety of other events during the year.

Board and Board Committees

The members of the Board, as the charity trustees, are legally responsible for the overall management and control of the School. The Board of Governors typically meets four times a year and also holds an annual strategy day. The School maintains directors & officers liability insurance for the benefit of Governors, as corporate directors, and senior management.

During the year, their activities as Governors were conducted through five committees and the membership of each committee throughout the year was as follows:.

	(1)	(2)	(3)	(4)	(5)
David King (Chairman)		✓	✓		
Sister Paula Thomas (Vice Chair)	✓		✓		
Sampa Bhasin (appointed 1 September 2021)		✓			
Annabel Blair		✓			
Paul Davies (appointed 29 October 2021)		✓			
Martin George			✓		✓
Robert Milburn		✓	✓		✓
Cathy Millis	✓		✓		
Barbara Parson	✓				
Steven Pitchford				✓	
Richard Price		✓	✓	✓	
Catherine Thomas				✓	✓
Charlotte Thomas		✓			
Wendy Wildman (resigned 31 August 2021)	✓		✓		

- 1 - Education, Staff and Welfare Committee
- 2 - Finance and Estates Committee
- 3 - Nominations and Governance Committee
- 4 - Compliance and Risk Committee
- 5 - Development and Marketing Committee

During the year:

- The Education, Staff and Welfare Committee reviewed (1) the educational objectives of the School and the means that it uses to achieve such objectives and (2) matters relating to the recruitment and management of staff and (3) staff and pupil welfare. During 2020-21 it also had oversight of the School's approach to the cancellation of public exams in the summer of 2021 and the remote education provided to pupils whilst schools were required to be shut. The Committee was chaired by Cathy Millis.
- The Finance and Estates Committee had two principal functions during the year: (1) to scrutinise the School's annual budget and management accounts as well as review the audited financial statements and annual report and recommended them for approval by the Board and (2) to review matters related to the land and buildings occupied by the School, including capital projects and annual maintenance budgets. The Committee also had oversight of the financial implications of the Covid-19 pandemic and the School's response to it. The Committee was chaired by Robert Milburn.
- The Nominations and Governance Committee reviewed the composition of the Board of Governors and interviewed a number of governor candidates, and two candidates were put forward for approval by the full Board to join with effect from the start of the following academic year. The Committee also regularly reviews matters related to the governance of the School more generally. The Committee was chaired by David King.
- The Compliance and Risk Committee reviewed (1) the risks and compliance obligations faced by the School as well as the measures taken by the School to mitigate such risks and ensure compliance with applicable regulations and (2) matters relating to health and safety at the School. It had oversight of the risks presented by the coronavirus pandemic and the School's ongoing mitigations in responding to changing guidance in this regard. The Committee was chaired by Richard Price.

- The Development and Marketing Committee reviewed matters related to fundraising, marketing and alumnae relations. The Committee was chaired by Martin George.

Safeguarding

Due to the importance of safeguarding and the welfare of pupils, the Governors have two nominated safeguarding governors (NSGs) at any time. During 2020-2021 these were Wendy Wildman and Cathy Millis. From the start of 2021-22, Paula Thomas took over as the second NSG on the retirement of Wendy Wildman. The NSGs review closely the procedures followed by the School to comply with applicable safeguarding regulations and visit the School at least three times a year in order to meet with the Designated Safeguarding Lead (DSL) and her team and to undertake some oversight of safeguarding and HR records. All Governors receive safeguarding training to ensure they remain up to date in their understanding of the constantly evolving regulatory requirements. They also receive three safeguarding reports per annum so they have a good understanding of the nature of safeguarding issues that are arising in School and the pastoral/welfare support measures provided by the DSL and her team.

Operational Management

The day to day running of the School is delegated to the Head Mistress and Director of Finance and Operations, who in turn are supported by an additional nine senior leaders within the School (collectively "SMT"). Two Deputy Heads have members of the SMT reporting to them and they both report to the Head Mistress as do the Director of Finance and Operations and the Head of the Junior School. Collectively, this SMT and Governors constitute the key management personnel.

Governors are mindful of their responsibility to ensure good working relationships with parents, suppliers and the wider LEH community. This is reflected in the School's payment practices and the manner in which the School addresses requests for financial assistance and other parental concerns.

Remuneration and Staff Recruitment

The School's Governors are not remunerated.

The remuneration policy for staff is approved by the Board, with the objective of providing appropriate incentives to encourage enhanced performance and rewarding fairly and responsibly individual contributions to the School's success. Within this policy, the remuneration of the Head Mistress and the Director of Finance and Operations is set annually by the Board of Governors.

The appropriateness of the School's remuneration practices is reviewed regularly, including reference to comparisons with other independent schools, to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purposes is primarily dependent on its staff and staff costs are the largest single element of expenditures. For this reason, the School seeks to recruit high quality staff and aims for the School's remuneration and other employment conditions to be competitive with similar independent schools.

The School maintains a policy of equal opportunity and non-discrimination in recruiting and other matters relating to employment. Accordingly, job applicants and staff are treated similarly, regardless of their sex, marital status, sexual orientation, age, race, ethnic origin or disability.

Charity Governance Code

With its trustees, the School has ensured that it is substantially compliant with the Charity Governance Code. The Code asks charities to "apply or explain" the provisions of the Code. The following are areas where the School has not applied the Code's provisions and why:

- The Charity's Articles allow a maximum of 18 trustees, a larger Board than the 12 recommended by the Code. The Company has a number of committees and working groups and a larger Board enables these groups to have sufficient membership to undertake their required functions properly. During the year the Board comprised only 12 Governors but this has increased to 13 from September 2021.
- The Board commenced a three part review of its performance and effectiveness in the Summer Term of 2021, as follows: (1) a review of the Board using a template (the governance wheel) produced by NCVO (The National Council for Voluntary Organisations), (2) a review of the performance of the Chair, and (3) an individual review of each Governor's performance and contribution. The first two parts were

completed and the outcomes were considered in detail at the Strategy Day in November 2021. The third part will take place over the coming months.

- Diversity is always considered in trustee recruitment and the Board is cognisant of the diversity of the members of the Board at any time. Formal targets for diversity of the Board have not previously been set but the Board is aware of the need to ensure its membership is diverse and representative of its stakeholders. This is reflected in the recruitment processes for new Governors and particularly where the School has chosen to advertise for additional Governors.

JOINT ACTIVITIES WITH HAMPTON SCHOOL

The School is situated adjacent to Hampton School, an independent boys day school. As a result of such proximity, the Governing Bodies of LEH and Hampton School have entered into two joint ventures to assist with delivery of our educational objectives.

Millennium Boathouse

The Millennium Boathouse is located on land leased from Thames Water and adjacent to the River Thames, approximately two miles from the School. The land has been made available on a 125 year lease at a current annual rent of approximately £25,000. The two schools shared the capital cost of the project equally and each share is recorded as a tangible fixed asset in their respective books of account and depreciated in accordance with their accounting policies.

The administration of the facility is divided between the Bursar of Hampton School and the Director of Finance and Operations of LEH, with Hampton School having responsibility for the maintenance of the site and LEH having responsibility for all financial operations.

Pupilcoach Limited

Pupilcoach Limited is a joint trading company wholly owned by LEH and Hampton School, which provides a coach service to parents requiring help in getting their children to and from the schools.

Pupilcoach Limited carries over 1,200 pupils a day on 26 different routes. Those parents using the service pay for all costs, including overheads. The enterprise aims to break even over the course of the financial year and there is generally no subsidy from the two schools. Any profit or loss made by Pupilcoach Limited is shared equally by LEH and Hampton School, with profits being covenanted by way of gift aid.

Hampton School provides accommodation and administrative support for the staff of Pupilcoach Limited and LEH has responsibility for all financial operations. The Bursar of Hampton School and Director of Finance and Operations of LEH act as directors. The books of account are maintained and audited on a separate basis.

Extra-curricular Activities

The School and Hampton School meet regularly to identify opportunities of working collaboratively to maximise the benefits to both schools. Building on a long history of producing joint musical and drama productions as well as organising a wide range of career advisory programmes together and operating a joint school coach service, the two schools also offer combined curriculum enrichment activities for sixth form students of each school. Such collaborative activities were temporarily suspended in the spring of 2020 due to the pandemic and associated governmental guidelines. However such collaborative opportunities largely resumed in September 2021.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The purpose of the School, as set out in the Memorandum of Association, is to advance education for the public benefit at the School, educating pupils not older than nineteen years with a liberal and practical education in accordance with the doctrines of Christianity.

Aims and Intended Impact

LEH is one of the oldest and most distinguished girls' schools in the UK. Pupils successfully balance outstanding scholarship with impressive achievements in sport and exciting creativity in the arts and beyond. With superb facilities set in 24 acres, the School offers bright girls a well-rounded and challenging education in a happy, purposeful environment, preparing them well for higher education and their future lives.

The School educates approximately 1,000 girls aged seven to eighteen, with around 200 in the Junior School and 800 in the Senior School. Pupils come from a very wide catchment area, from as far north as Ealing, as far south as Cobham, as far east as Fulham and as far west as Ascot and join LEH from many different maintained and independent schools.

LEH's aim is to be a school full of opportunity, challenge and friendship; a place to take risks and become bold; a place to discover passions, talents and yourself; a place that nurtures remarkable young women.

The School encourages its pupils:

- to be exactly who they are, whatever their current interests or future aspirations.
- to benefit from the warmth, respect, and support of the entire School community as they stretch themselves to become their best, most confident selves, as students, and as citizens of the world.
- to have the freedom to experiment, express opinions, explore and take on new challenges.
- to be supported by strong role models and inspired by their peers.
- to find confidence and strength, and acquire and build the skills they need to succeed throughout their lives.

To promote the School's academic and extra-curricular activities, the Governors place a high priority on an ongoing programme of maintenance and capital expenditures designed to offer pupils and staff first class facilities while scrutinising proposed expenditures to ensure that the School obtains value for money. Such scrutiny is provided in the budgeting process and throughout the academic year through the involvement of the Finance and Estates Committee and various working groups formed in connection with major construction projects. The Governors recognise the importance of recruiting, retaining and developing high quality staff in order to achieve the School's academic and extra-curricular objectives. Accordingly, the Governors monitor the School's human resources policies, compensation strategy, staff welfare, and training initiatives.

LEH's wholly-owned subsidiary, The Lady Eleanor Holles School International Limited, was formed as a vehicle through which to conduct the School's overseas activities. As described in further detail in the Strategic Report, the School has opened its first school in China and hopes to open further schools in the future. The School believes that such activities will generate revenue at minimal cost and that the net profit from such activities will help support the School to pursue its charitable objects in the UK. The cost of establishing such overseas schools, together with the responsibility for operating them, will be borne by third party organisations selected by the School.

Objectives and Strategy for the Year

The School originally expected to adopt during 2020-21 an updated strategic plan for the years 2020-25. The Plan had reached an advanced stage when the School was forced to close its site in March 2020 due to the Covid-19 pandemic. At that point, the overarching objective became to continue to the greatest extent possible normal instruction and the range of extra-curricular activities for which the School is known. This required the School to establish rapidly a plan for remote instruction as well as preparing centre assessment grades for pupils due to sit GCSE and A Level exams during the spring of 2020. Over the summer, the School then devoted considerable time to planning the re-opening in September in the context of evolving government guidance (see “*Review of Achievements and Academic Performance for the Year*”).

With Covid-19 related measures continuing to affect the School during 2020-21 and a further period of school closure during the spring term, work on the new five year Strategic Plan was once again delayed. The School had to continue to offer hybrid teaching, a combination of in person instruction and remote instruction, for much of the year and remote instruction during most of the spring term. Additionally, with another year of cancelled public examinations, the School had to prepare Teacher Assessed Grades for pupils originally due to sit GCSE and A Level exams in the summer of 2021. However the School was nonetheless able to make progress on a number of the initiatives in the draft 2020-25 strategic plan, particularly those relating to technology in the classroom, pending formal ratification by the Board of Governors, which occurred in November 2021. The Strategic Plan contains eleven strategic planks, two of which have been added this year in response to key issues that have moved to centre stage over the past few years: Sustainability, and Inclusion and Diversity.

The School’s senior management maintains a practice of regular communication and consultation with staff on matters of general interest, both through the Joint Staff Consultative Committee, the School’s primary vehicle for consulting staff, and more informally. Never has this been more evidenced than during the past 18 months. The School’s plans for re-opening in September 2020 and subsequent re-opening in March 2021 after a closure for most of the spring term were communicated regularly to staff throughout the course of the year. Staff were encouraged to ask questions and express their views about the wide variety of risk reduction measures being taken to address the pandemic.

The uncertainty and financial difficulties caused by the pandemic have compounded the pre-existing political and financial challenges facing the School and other independent schools. Accordingly, as the School finalises its strategic plan for the next five years, it has begun to consider how best to meet its strategic objectives while retaining the financial flexibility to adapt to a changing operating environment. This work will continue in 2021-22 and will need to reflect the evolution of the pandemic and its impact on the School, its families and the wider economy.

Despite the uncertainties and economic dislocations caused by the Covid 19 pandemic, demand for places at the School increased to record levels in 2021. Because of the high quality of candidates applying for September 2021 entry and high acceptance rate by candidates offered places, the number of pupils attending the School in 2021-22 increased by approximately 50. To accommodate the larger number of students, the great majority of whom are expected to remain at the School until they complete their A Level studies, the School decided to construct a new building consisting primarily of additional classrooms and departmental offices as well as a large meeting room. The construction of the two storey building, which will take place over two consecutive summers, began in summer 2021 and the completed ground floor was occupied in September 2021.

During 2020-21, the School worked with Trumptech, a leading provider of educational services in China and Hong Kong, to open a school on its new campus in Foshan, China (“LEH Foshan”). The facilities were handed over to Trumptech by the contractor and all required licenses were obtained by late spring, enabling the occupation of the new campus in May 2021. Because of continuing border controls imposed by the Chinese government, most expatriate staff were unable to return to Foshan until late summer. However LEH Foshan opened normally with almost all of its expatriate staff back in school in September 2021. The opening of LEH Foshan triggered the final instalment of the pre-opening license fee payable to LEHI under its licensing agreement with Trumptech.

During the course of the year the Head Mistress has made regular reports to the Board of Governors, either directly or via its committees, on these and other topics. She has held regular meetings with the Chairman of Governors and consulted widely with other Governors at appropriate times.

Public Benefit

The School actively supports the attainment of the highest educational standards, partly by networking with other schools (independent and maintained) and partly by peer group studies to evaluate quality and performance improvement methods. We also co-operate with many local charities in our on-going endeavours to widen public access to quality education, to optimise the educational use of our cultural and sporting facilities and to develop our pupils' social awareness of the wider community in which the School operates.

In the furtherance of these aims the Governors, as the charity Trustees, have carefully considered and complied with the duty in s.17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when considering the School's objectives and activities.

Bursaries and Scholarships

The School is committed to providing financial assistance to families whose daughters meet the School's entrance criteria but who are of limited financial means. The principal form of such assistance is through the award of bursaries, which range from 50% to 100% of fees. The provision of bursaries is widely advertised and, where available bursary funds are less than the demand from academically qualified applicants, awards are made on the basis of the applicant's performance in the entrance examination. Each award is subject to annual financial assessment.

The School also provides financial hardship assistance in certain circumstances when parents (or the fee payer) of girls already in the School suffer unexpected financial hardship. Each case is assessed on an individual basis and the form of assistance is determined according to specific circumstances.

In addition to the bursaries ordinarily provided on an annual basis, the School continued to face an unusually high level of parental requests for financial hardship assistance during 2020-21. This reflected the considerable impact the Covid-19 pandemic has had on many of our parents' incomes. The School responded to this demand by giving parents more time to pay and offering fee reductions in certain situations. Collectively, the School provided means tested financial assistance totalling £1,209,000 in 2020-21, an increase of £17,000 over the level of the prior year. With the general economic recovery and the consequential reduced effect of the pandemic, the School expects to provide a lower level of financial hardship assistance in the current year than in 2020-21.

To help achieve the School's goal of increasing the level of means tested financial assistance provided to parents, the School has devoted a much greater level of effort to fundraising campaigns (see "*Fundraising*" below), the primary focus of which is to increase donations to the School's bursary fund. The School is very pleased that such efforts have begun to bear fruit, with significant donations to the bursary fund in the last several years. In addition, the School once again invited parents, as it did in 2019-20, to contribute the general fee discount offered by Governors during the year (see "*Financial Review and Results for the Year*" below) to a 2020-21 financial hardship fund specifically created to help parents requiring assistance to pay fees during 2020-21. Of the £1,209,000 in total means tested financial assistance provided in 2019/20, £170,000 was made possible by donations to the School's bursary fund as well as to the 2020-21 financial hardship fund.

In addition to the means-tested forms of financial assistance described above, the School also awards academic, music, drama, art and sports scholarships to exceptional candidates who are assessed on the basis of written examinations, interview and/or audition. Such scholarships are generally worth no more than 10% of fees and are not means tested. Staff whose daughters attend the School are also entitled to a remission on school fees based on a percentage which varies depending on the year in which they were employed by the School.

In 2020-21, 185 pupils (20% of the total number at the School) received bursaries, hardship assistance, scholarships or staff fee remissions having an aggregate value of £1,593,000 (8.8% of gross fee income). Of these, 74 received means tested financial support, of which 38 were full bursaries.

Community Activities

Through its Public Benefit activities, the School endeavours to foster the aims of its founder by engaging with local, national and international bodies, building strong relations with the local community and encouraging its pupils to contribute positively, willingly and with altruism, for the greater good.

The School's mission statement for its community activities, by which all of our current and future Public Benefit and Community activities should be judged, is as follows:

- Acknowledge that by attending LEH, pupils receive an outstanding education, which brings with it responsibility to society;
- Inculcate a culture of participation in the service of the community, locally, nationally and internationally;
- Raise pupils' awareness of issues which challenge their perceptions of others;
- Provide opportunities for pupils to engage in activities with members of the local community, in particular school children and the elderly;
- Provide a stimulating extra-curricular programme which embraces engagement with national and international bodies;
- Engage the whole school in charitable giving;
- Facilitate the use of the school buildings by groups and schools in the local area;
- Develop educational partnerships with local cluster schools.

The range and extent of the School's public benefit activities was significantly reduced in 2020-21 compared with prior years due to Covid-19 related restrictions. However the School remained keen to maintain its activities wherever possible.

Links with Local Maintained Schools

A series of evening on-line "Wellbeing Wednesday" parent talks on a variety of PSHE (Personal, Social and Health Education) topics were organised by LEH and were advertised to our local state schools. They were well attended by parents from the schools.

The School's Deputy Head Pastoral continued as the LEH Governor on the Local Governing Board of Reach Academy, Feltham attending Governor meetings remotely. At a curriculum level, LEH continued to support the development of A Level Physics and Psychology teaching at Reach, providing support remotely.

Our links with Hampton High continued throughout the year and LEH was able to donate a large number of Modern Foreign Language textbooks to Hampton High.

Links with Other Organisations

In addition to the above, the School raises awareness among LEH pupils of a number of societal issues through links with other organisations such as Amnesty International.

Charity Fundraising

Charity fundraising involves the whole School community in raising money and awareness for good causes. The School elects a charity for the year, which becomes the major focus of charitable giving; charities alternate between an overseas charity and a UK based charity. This focus does not preclude other charitable giving, and each year there are a number of smaller charities which benefit from the School's fundraising efforts. Full details of recent fundraising events are displayed on the School's website (www.lehs.org.uk). In 2020-21 LEH's senior school raised over £5,700 for the charity Doctors Without Borders and the junior school raised £3,000 for Friends of the Earth. In addition, over £1,600 was raised for various other charities, including Macmillan Cancer Support and the Down's Syndrome Association. A sizeable donation of clothing was also collected for the Richmond Refugee Centre.

For information regarding LEH's fundraising for its own charitable purposes, please see *Fundraising*.

Cultural Contribution and Sporting Facilities

During 2020-21, Year 9 pupils from LEH created a musical production of Three Little Pigs which was recorded and sent to local primary schools.

The School also gave free use of its swimming pool to the Sea Cadets and also offered free weekly access to a number of local state schools.

The Environment

The School recycles food waste and cardboard from the dining halls. During the year in review, the student led EcoSquad continued to proactively work towards further reducing the use of plastic and paper in school.

Under the Energy Savings Opportunity Scheme (ESOS) regulations, the School prepares a report every three years which is designed to identify energy saving opportunities. The most recent tri-annual report was completed

in February 2020 listed a number of opportunities which the School has begun to implement. For the year ended 31 December 2018 (the most recent for which data is available), the School consumed 3.29m kWh of energy. An updated report is planned for early 2022.

Further energy saving measures have also been identified as part of the School's 5 year sustainability strategy, which is designed to reduce our environmental impact. The strategy has a number of planks: (1) minimising our energy and water consumption, (2) reducing our waste generation, (3) decreasing our transport carbon footprint, (4) increasing bio-diversity across the School's 23 acre site and (5) promoting sustainability principles among pupils and staff, with each plank having a series of specific measures that are planned to be completed within the next several years. The School is proud to have largely eliminated single use plastics in school and to source all of its electricity from renewable sources, including 256 solar panels deployed on site. The School has also begun a multi-year programme of replacing older windows with modern, highly insulated models and replacing older light fixtures with LED alternatives. As part of its sustainability strategy, the School plans to define a wide range of further specific objectives, which will be regularly assessed and reported to the Board of Governors.

The School's most recent major capital projects, the completion of the Student Gateway in 2017 and the ground floor of the Quadrant in 2021 have both been designed to achieve an "Excellent" BREEAM rating, an internationally recognised certification standard that assesses the environmental and sustainability features of new buildings.

Future Developments and Plans

As noted in *Objectives and Strategies for the Year*, the School maintains a five year strategic plan which is reviewed annually. This plan identifies a range of medium term objectives and strategies for achieving such objectives. As previously noted, the Governors and senior management have recently approved the School's strategy for the period 2020-25, a process which was delayed due to the impact of the Covid 19 pandemic. This includes, among others, the objectives of continuing to maintain excellent educational opportunities and outcomes for pupils, raising the importance of inclusion and diversity within our students, staff and curriculum as well underpinning its financial performance in the years to come.

REVIEW OF ACHIEVEMENTS AND ACADEMIC PERFORMANCE FOR THE YEAR

As noted under "*Strategy and Objectives for the Year*", 2020-21 represented another year of significant adjustment for the entire LEH community. The Covid-19 pandemic continued to affect virtually all aspects of the School's operations even if the experience gained in 2019-20 left the School better prepared to adapt to changing circumstances in 2020-21.

The School continued the migration of data and applications from locally managed IT infrastructure to Cloud computing architecture begun in 2019-20. Such migration, together with continued related investment in IT infrastructure and training of the School's staff, enabled the School to enhance further the ability to deliver in person and remotely a wide range of live lessons to a range of audiences in school and at home. The School also undertook a series of measures to improve the security of its computer networks and applications.

Throughout the summer of 2020, the School planned the return of pupils and staff in September 2021 while recognising that the new academic year would most likely be different from past years. Like all schools, LEH had to consider a multitude of operational adjustments to meet government guidance addressing the ongoing pandemic. This included new arrangements to protect staff and pupils, which involved creating year group pupil "bubbles", the use of personal protective equipment in various situations, new cleaning procedures and modified ways of offering extra-curricular activities. The fact that the School was able to resume its activities in ways very similar to prior years in itself represented a significant achievement.

As a result of the pandemic, the Government once again cancelled GCSE and A Level public examinations in 2021. Instead, GCSE and A Level results were awarded based on Teacher Assessed Grades determined by each school and taking into consideration the school's historic results.

The modified process for determining GCSE and A Level results in 2021 required a great deal of additional time and effort by LEH teachers and management. Despite the necessary adjustments, the Governors wish to congratulate both pupils and staff for their patience and for the outstanding results at both GCSE and A level. At A level, 92% of grades were at A* or A Grade and 98% in the A/B range. Most pupils go on to very highly regarded universities in the UK or US. At GCSE level, 95% of grades were 9,8 or 7 (equivalent to A*/A).

Whilst academic excellence is at the core of the School's work, equal priority is given to the development of the pupil as an individual, and to providing opportunities in sport, music, drama and a large range of extra-curricular

activities. This continues although the pandemic has temporarily limited certain extra-curricular activities and our ability to organise trips and visits both in the UK and overseas.

One of the great assets of the School is its superb facilities and ample grounds. Never has this been more true than during the pandemic, when our ability to offer pupils extensive external space has been particularly valuable. Whilst it is not possible to list all achievements, the School is proud of those pupils who have achieved national and international recognition in rowing, lacrosse, gymnastics and swimming. A significant number of pupils represent their County teams, and we are delighted that such a large percentage of the pupils continue to represent the School at all levels. As a leading UK girls school in both rowing and lacrosse, it is pleasing to see the number of pupils involved in these sports and the level of dedication and excellence that is achieved.

Music and drama continue to thrive at the School, playing a central role in the life of pupils at LEH. The Music Department again staged a significant number of concerts throughout the year under review, providing both formal and informal opportunities for pupils of all ages and abilities to perform, even though such concerts had to be pre-recorded in year group bubbles to comply with Covid-19 restrictions. The ensembles in the School perform to the highest standards. Music and drama activities largely returned to normal beginning in September 2021.

Members of staff continue to provide outstanding opportunities for pupils to extend their love of learning through a wide variety of events, including those targeted at gifted pupils. These included events organised with other schools in science, drama and public speaking.

Opportunities for pupils to explore and develop cultural and academic connections with other countries continued to be offered with overseas trips, including language study, pupil exchanges and a geography study, although such activities were temporarily suspended in 2020-21 due to the pandemic.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

As noted above, Covid-19 has had a significant impact on the School's operations, including its finances, not least because the School once again had to close its campus from January to March 2021. Although teaching and learning continued remotely throughout most of the spring term largely uninterrupted until the School reopened in early March 2021, the Governors decided to offer all parents a 10% fee discount for the spring term to recognise that the School was unable to provide for an entire term the same range of extra-curricular activities and normal in-person instruction. Income was also adversely affected because of lower ancillary income (charges for lunch, coaches and various extra-curricular activities) and reduced letting income. This was partially offset by payments received from the Government under the Coronavirus Job Retention Scheme, although the amount of such payments were lower than in the prior year.

Expenses for the spring term were also lower than expected due to closure of the School's site and resulting absence of certain services such as catering, cleaning and coach transportation as well as lower expenditure by the School's academic and extra-curricular departments.

The School achieved a consolidated investment surplus (net income from operations plus depreciation) of £2,240,000 for the financial year ended 31 August 2021 (2020: £2,060,000), which includes LEH's net income of £101,000 (2020: net loss of £49,000).

The level of consolidated investment surplus for the year ended 31 August 2021 represented 12.3% of gross fees (2020: 11.5%). The Governors consider the surplus appropriate to enable the School to finance its ongoing capital expenditures as well as meet its debt service requirements related to its long term loan facilities.

Over the past 10 years in particular, the School has spent considerable sums to expand and improve its facilities. To spread over a prolonged period the impact of such expenditure on the School's cash flow, the School borrowed a portion of such expenditures. Such debt facilities are repayable over a 10 year period from 2016. The loan agreement governing such facilities requires that certain standard financial covenants be met by the School. Such covenants were met for 2020-21.

The Governors are mindful of the economic uncertainty due to the continuing Covid 19 pandemic and Brexit, potential further increases in the required contributions by schools, including independent schools, to the Teachers' Pension Scheme as well as possible loss of the 80% exemption in business rates currently applicable to charitable schools. Such changes may have an adverse effect on investment surpluses. With this in mind, the School has continued to implement selective initiatives to reduce expenditure without materially impacting teaching and learning.

During 2020-21, LEH had an average of 937 pupils of whom 191 were in the Junior School and 746 were in the Senior School. Despite the pandemic, pupil numbers have not diminished and demand for places at the School

remains strong, both in terms of numbers and the quality of the applicants. There is every expectation that this situation will continue in the future.

Investment Powers and Policy

The Trustees' investment powers are governed by the constitutional documents, which permit the School's funds to be invested in any security listed on the London Stock Exchange.

Pursuant to the School's investment policy, the School investments are managed in accordance with the following principles:

- To optimise long term investment returns, long term investments are to be invested in low cost passively managed equity funds whose performance tracks the overall UK equity market;
- To avoid risks of short term capital losses, funds intended to be used over the short to medium term are to be invested in short term deposits with Barclays Bank or other similarly rated UK banks.

Reserves Policy

The School's reserve policy is to maintain sufficient available free reserves to meet the School's short term liabilities in the event of unexpected costs or a revenue shortfall. The Governors regularly review the reserves policy in light of the macro-economic and political environment in which the School operates. Despite the cost pressures facing independent schools nationally and the challenges currently being experienced as a result of the Covid-19 pandemic, the Governors believe that the School remains in good financial health with largely predictable and strong income and a sizable cash balance. As previously noted, the School regularly reviews its cost base to identify opportunities of reducing expenditure. The School also maintains short term credit facilities that are available in the event of an unexpected cash flow shortfall. Accordingly, the Governors believe that the School's reserve policy is appropriate and that free reserves as well as external financing facilities provide adequate financial liquidity.

Note 15 to the accounts shows the assets and liabilities attributable to the various funds by type.

At the Balance Sheet date, the Group held total funds of £23,800,000 which consisted of unrestricted funds totalling £17,900,000, endowed funds of £4,400,000 and restricted funds of £1,500,000. Most of the Group's unrestricted reserves are invested in fixed assets. Free reserves at the Balance Sheet Date were £550,000 (2020: £1,250,000), a reduction caused by the construction of the ground floor of the School's new academic building.

The School's subsidiary, LEHI, had a net deficit of £65,000 at 31 August 2021 (2020: net deficit of 167,000), reflecting expenses incurred over the past several years, partially offset by license revenues related to LEH Foshan. The School anticipates that LEHI's net deficit will be extinguished from the receipt of future termly license payments payable to LEHI in connection with the operation of LEH Foshan.

Pension Liability

As indicated in Note 17 to the accounts, the School had a liability at the balance sheet date of £870,000 (2020 £890,000) related to the Cripplegate Foundation Pension and Assurance Scheme, a defined benefit pension scheme that was closed to future accrual in 2006. This liability reflects the present value of contracted future contributions by the School to the Scheme. The School expects that it will be able to meet its required contributions as they fall due.

Fundraising

Fundraising is only carried out by LEH staff and fundraising activities are not outsourced to professional fundraisers or commercial participators. The charity is registered with the Fundraising Regulator and is committed to adhering to the Code of Fundraising Practice. No complaints have been received about the fundraising carried out by the charity. The charity has signed up to receiving suppressions under the Fundraising Preference Service. All of our fundraising and customer service staff follow best-practice guidelines for dealing with vulnerable people.

Covid-19 has significantly impacted the School's ability to hold its usual fundraising activities. The Development Department acted swiftly to transfer planned fundraising appeals online, and donations for the year ended 31 August 2021 remained strong, even showing a 5% increase year on year. An online campaign, "the Twelve Days of Giving", was created prior to Christmas with the objective to engage students, parents and alumnae and build a strong sense of community as well as raise funds for the School. LEH's first Annual Giving Day took place in June, achieving the target of covering the cost of a new Sixth Form bursary. The campaign received a record level of engagement in terms of the number of donations, with 68% of them coming from first time donors. Two important initiatives continued to be promoted; a Legacy mailing resulted in four new legacies, and LEH's 1710 Regular Giving Society continues to add members who are committed to supporting the Bursary Fund.

The School was very pleased that parents once again responded so well to The Hardship Fund appeal, led by the Chair of Governors, which invited parents to donate the 10% fee reduction offered to parents in the spring term. Through these and other fundraising activities, the School raised a total of £440,000 in donations and associated gift aid during 2020-21.

RISK MANAGEMENT

The Governors are responsible for the strategic oversight of the risks faced by the School. Risks are identified and categorised under the following broad headings:

- Finance
- Operational
- Governance
- External
- Serious incident and/or loss of reputation

The risk level is calculated and controls are recorded that either lower the impact of a risk and/or reduce the likelihood of a risk materialising. Detailed consideration of risk is delegated to the Compliance and Risk Committee which reviews the Risk Register (including controls in place) once a term. A formal review of the Risk Register and the Risk Management Policy (setting out the detailed processes in place) is undertaken by all Governors annually.

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified are being adequately mitigated insofar as possible. It is recognised that the systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The principal risks identified by the Governors at the present time are set out below:

1. The introduction of new legislation/regulation imposing obligations on schools in general, or just independent schools, with financial and operational implications (e.g. imposition of VAT, a further increase in employer contributions to the Teachers' Pension Scheme and/or removal of business rates relief). The School closely monitors and comments on proposed legislation or regulatory initiatives by working with, and providing input to, the Independent Schools Council and other industry associations. In addition, the School considers the potential impact of possible new legislation in the School's medium to long term financial planning and stress tests its financial forecasts to reflect different possible legislative scenarios.
2. Reputational damage arising from information posted on social media by current or former pupils or their parents or pupils or parents of other schools. The School's Communications department actively publicises the School's activities and achievements while closely monitoring various social media platforms to identify misleading or incorrect information about the School and to seek remedial steps where appropriate.
3. The affordability to parents of fees (a risk faced by independent schools across the country) and the potential effect it could have on pupil numbers or quality in the medium to longer term. Although the School receives many more high quality applications than available places, the Governors are cognisant of the financial pressures faced by many of the School's parents in paying school fees and of the increased competition from the maintained sector. As a consequence, the School continues to explore actively ways of generating a higher level of non-fee income, including the opening of schools outside the UK (see "*Objectives and Strategies for the Year*") and donations.

The principal risks of the School's subsidiary (LEHI) and joint venture with Hampton School (Pupilcoach) are primarily financial and reputational, although the activities of LEHI and Pupilcoach are more limited and focused than those of running the School. Such risks are also monitored by the Board of Governors through its committees and working groups. The risks associated with Pupilcoach's activities are also monitored through close consultation between the senior management of both the School and Hampton School.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are also directors of the School for the purposes of company law) are responsible for preparing the Strategic Report, the Governors' Annual Report and the financial statements in accordance with applicable law and regulations.

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

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

Insofar as each of the Governors of the School at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each Governor has taken all of the steps that he/she should have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Haysmacintyre LLP has expressed its willingness to continue as auditor for the next financial year and a resolution for their reappointment as auditors will be proposed at the forthcoming Annual General Meeting.

This Report of the Governors, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governors of the School on 25 January 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

D H King

David King
Chairman

Independent Auditor's Report to the Members of The Lady Eleanor Holles School

Opinion

We have audited the financial statements of The Lady Eleanor Holles School for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2021 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The governors are responsible for the other information. The other information comprises the information included in the Report of the Governors. 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.

Independent Auditor's Report to the Members of The Lady Eleanor Holles School

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Governors (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 parent company; or
- the parent 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

As explained more fully in the governors' responsibilities statement set out on page 15 and 16, 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group of the parent 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:

Independent Auditor's Report to the Members of The Lady Eleanor Holles School

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 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 and Charities Act 2011, and considered other factors such as payroll tax 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 posting inappropriate journal entries to income and management bias in accounting estimates. 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 regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings with unusual amounts or descriptions, and postings with unusual date characteristics; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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 Auditor)

10 Queen Street Place

London

EC4R 1AG

Date: 31 January 2022

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THE LADY ELEANOR HOLLES SCHOOL
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020/21 £	Total 2019/20 £
Income and endowments from :						
School fees	2	16,776,522	-	-	16,776,522	16,400,680
Other income	5	1,896,435	-	-	1,896,435	2,050,934
Other trading activities						
Activities of subsidiaries	20	150,000	-	-	150,000	-
Millennium Boat House		87,347	-	-	87,347	44,535
Investments						
Investment income	4	55,470	6,045	-	61,515	61,933
Bank and other interest	4	108	-	-	108	18,083
Voluntary sources						
Donations and grants	6	213,596	437,581	-	651,177	1,046,970
Total income		19,179,478	443,626	-	19,623,104	19,623,135
Expenditure on:						
Activities of subsidiaries	20	48,556	-	-	48,556	48,966
Cost of raising funds and development		5,462	-	-	5,462	45,508
Cost of finance	9	235,508	-	-	235,508	332,074
Charitable activities						
Education and grant making		18,081,470	223,669	-	18,305,139	18,314,156
Total expenditure	7	18,370,996	223,669	-	18,594,665	18,740,704
Net income before investments gains/ (losses)		808,482	219,957	-	1,028,439	882,431
Investments gains / (losses)	11	380,577	39,142	-	419,719	(361,972)
Net movement in funds		1,189,059	259,099	-	1,448,158	520,459
Balances brought forward		16,669,907	1,240,563	4,444,335	22,354,805	21,834,346
Balances carried forward		17,858,966	1,499,662	4,444,335	23,802,963	22,354,805

The notes on pages 25 to 45 form part of these financial statements

The comparative consolidated statement of financial activities is given in note 18

THE LADY ELEANOR HOLLES SCHOOL
CONSOLIDATED AND SCHOOL BALANCE SHEETS
YEAR ENDED 31 AUGUST 2021

Registered Company Number 06871042

	Notes	2021 £ Group	2020 £ Group	2021 £ School	2020 £ School
FIXED ASSETS					
Tangible assets	10	32,777,300	31,772,083	32,777,300	31,772,083
Investments	11	2,136,117	1,967,268	2,136,118	1,967,269
		34,913,417	33,739,351	34,913,418	33,739,352
CURRENT ASSETS					
Stock		8,877	17,901	8,877	17,901
Debtors	12	621,902	438,243	837,251	607,613
Cash at bank and in hand		5,459,817	5,775,681	5,307,996	5,771,357
		6,090,596	6,231,825	6,154,124	6,396,871
CREDITORS: falling due within one year	13	(5,744,642)	(5,330,980)	(5,742,817)	(5,329,230)
NET CURRENT ASSETS		345,954	900,845	411,307	1,067,641
TOTAL ASSETS LESS CURRENT LIABILITIES		35,259,371	34,640,196	35,324,725	34,806,993
CREDITORS: falling due after one year					
Creditors payable after one year	14	(10,585,126)	(11,394,071)	(10,585,126)	(11,394,071)
Pension scheme funding deficit	17	(871,282)	(891,320)	(871,282)	(891,320)
TOTAL NET ASSETS		23,802,963	22,354,805	23,868,317	22,521,602
FUNDS					
Endowment funds					
- Permanent	15	4,444,335	4,444,335	4,444,335	4,444,335
Restricted funds	15	1,499,662	1,240,563	1,499,662	1,240,563
Unrestricted funds	15				
- Designated fixed asset reserves		17,312,127	15,423,579	17,312,127	15,423,579
- Unrestricted free reserves		546,839	1,246,328	612,193	1,413,125
		17,858,966	16,669,907	17,924,320	16,836,704
		23,802,963	22,354,805	23,868,317	22,521,602

No separate Statement of Financial Activities has been presented for the School alone, as permitted by Section 408 of the Companies Act 2006. The net movement in funds of the School was £1,346,715 (2020; £569,425).

Approved by the Governors and authorised for issue on 25 January 2022
and signed on their behalf by

D H King

.....
David King (Chairman)

The notes on pages 25 to 45 form part of these financial statements

THE LADY ELEANOR HOLLES SCHOOL
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 AUGUST 2021

	<u>2021</u>	<u>2020</u>
	<u>£</u>	<u>£</u>
Cashflows from operating activities:		
Net cash provided by operating activities (i)	2,648,028	1,361,373
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,216,322)	(518,420)
Proceeds from sale of tangible fixed assets	42,500	66,600
Proceeds from sale of investments	250,868	-
Bank interest received	108	18,083
Investment income	61,515	61,933
Net cash used in investing activities	(1,861,331)	(371,804)
Cash flows from financing activities		
Net loans repaid	(883,331)	(883,335)
Interest paid on loan	(219,230)	(308,500)
Net cash used in financing activities	(1,102,561)	(1,191,835)
Change in cash and cash equivalents in the reporting period:		
Decrease in cash in the period	(315,864)	(202,266)
Cash and cash equivalents at the beginning of the reporting period	5,775,681	5,977,947
Cash and cash equivalents at the end of the reporting period	5,459,817	5,775,681
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period	1,448,155	520,459
Adjustments for:		
Bank interest received	(108)	(18,083)
Investment income	(61,515)	(61,933)
Non-cash pension related expense	188,000	18,000
Interest paid on loan	219,230	308,500
Cripplegate pension deficit contributions	(208,038)	(204,348)
Unrealised (gains) / losses on investments	(378,618)	361,972
Realised gain on investments	(41,101)	-
Depreciation charge	1,208,417	1,174,902
Fixed asset impairment	-	206,704
Profit on sale of fixed assets	(39,812)	(37,357)
Decrease in stock	9,024	332
(Increase) / decrease in debtors	(183,659)	217,443
Increase / (decrease) in creditors	488,053	(1,125,218)
Net cash flow from operations	2,648,028	1,361,373

The notes on pages 25 to 45 form part of these financial statements

**THE LADY ELEANOR HOLLES SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared by The Lady Eleanor Holles School ("LEH" or the "School") 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 (second edition effective 1 January 2019) applicable to charities preparing their accounts in accordance with FRS 102.

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

These financial statements are prepared under the historical cost convention, as modified by the revaluation of investments.

These financial statements present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and School balance sheets comprising the consolidation of the School with its wholly owned subsidiary, The Lady Eleanor Holles School International Limited (LEHI), and the School's 50% share ownership of Pupilcoach Limited. In accordance with the requirements of Financial Reporting Standard 102, Pupilcoach Limited has been accounted for as a joint venture. Pupilcoach's results and net assets position are set out in note 3.

As noted in the Directors' Report, the School and Hampton School each have 50% share in the Millennium Boathouse and thus share equally the cost of operating the Boathouse. The School records 100% of the expenses associated with the Millennium Boathouse and separately recognises income from Hampton School equal to 50% of the Millennium Boathouse expenses in the income section of the SOFA.

The School has taken advantage of the exemption, available to a qualifying entity under FRS 102, from the requirement to present a school only cash flow statement within the consolidated financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales (charity number 1130254) and a private company limited by guarantee, incorporated in England (company number: 6871042).

LEHI was incorporated in England as a limited company on 4 April 2016 (company number: 10099390). Its registered address is Hanworth Road, Hampton TW12 3HF.

Going Concern

After making enquiries, the Governors have reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future despite the impact of the Covid-19 pandemic. Pupil numbers have increased for the year 2021-22 and applications have once again increased from last year's record levels. The Governors expect that the School will continue to meet applicable financial covenants for the year 2021-22 and that the School will be able to meet its debt repayment obligations as they fall due. Accordingly, the Governors consider that there are no material uncertainties over the School's financial viability and thus continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 15.

Critical accounting judgments and key sources of estimation uncertainty

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

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

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.

b) Fixed assets

Tangible fixed assets excluding land are depreciated in equal annual instalments over their estimated useful lives, which are as follows:

Buildings	50 years
Boiler plant	20 years
Tractors	15 years
Other plant and equipment	10 years
Portakabins	5 years
Rowing equipment	5 years
Security system	5 years
Motor Vehicles	4 years
IT Equipment	3 years

Intangible fixed assets are amortised in equal annual instalments over their expected useful lives, which are as follows:

Software	3 years
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Fixed asset additions are capitalised where appropriate and depreciated in accordance with the above policy for individual items in excess of £5,000. All assets are stated at cost, net of accumulated depreciation and impairment decisions, which are reviewed annually.

c) Investments

Investments are revalued as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year. Investments in subsidiaries are valued at cost less provision for impairment.

Investment income is included in the Statement of Financial Activities on an accruals basis and credited to the fund to which it relates.

The School accounts for its 50% interest in Pupilcoach Limited, the School's joint venture with Hampton School, pursuant to the equity method. Accordingly, 50% of the profit or loss of the joint venture is included in the consolidated Statement of Financial Activities. An asset is held in the consolidated balance sheet, equal to the School's investment in Pupilcoach Limited.

d) Fees

Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants. Fees received in advance of education to be provided in future years under an Advance Fee Payments Scheme contract are held as interest-bearing liabilities until either taken to income in the term when used or else refunded. Fees received in advance are treated as deferred income.

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e) Deposits

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the School, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and balance of the deposits held is thus included within current liabilities.

f) Donations and Grants

Donations receivable for the general purpose of the School are credited to Unrestricted Funds. Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds where these wishes are binding on Governors. Donations and grants are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Grants received from the Government pursuant to the Coronavirus Job Retention Scheme have been included within Donations and Grants income. Government grants are recognised on the accruals basis.

g) Expenditure

Expenditure is charged to the Statement of Financial Activities as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to categories based on the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expense to which it relates. Governance costs comprise the costs of running the charity, including strategic planning for its future development, also external audit, any legal advice for the Governors and all the costs of complying with constitutional and statutory requirements.

h) Leases

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

i) Staff Benefits including pension costs

The School contributes to the Teachers' Pension Defined Benefits Scheme (the Teachers' Pension Scheme) at rates set by the Scheme actuary and advised to the Board by the Scheme Administrator. Until the date of closure on 31 August 2006, the School also participated in the Cripplegate Foundation Pension and Assurance Scheme for non-teaching staff. Both schemes are multi-employer pension schemes and it is not possible to identify the assets and liabilities of each scheme that are attributable to the School. In accordance with FRS 102 the Schemes are accounted for as defined contribution schemes. With effect from 1 September 2006 the School is contributing to individual stakeholder pension schemes for non-teaching staff at a rate which depends on the contributions made by employees but which is approximately 10% of annual pay on average.

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.

j) Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost or, in the case of investments, at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors (excluding prepayments). A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except deferred income, social security and other taxes and provisions.

**THE LADY ELEANOR HOLLES SCHOOL
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k) Fund accounting

Permanent endowment funds must be held permanently in furtherance of the School's charitable objects. The Governors are able to spend at their discretion the income generated by such funds.

Restricted funds relate to funds which have been received and their use restricted to specific aspects of the School's charitable objects, particularly grants and donations subject to donor imposed conditions.

Unrestricted funds comprise designated and general funds. Designated Funds are those set aside out of unrestricted funds by the School for a purpose specified by the School's Governors. General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the School's charitable objects.

THE LADY ELEANOR HOLLES SCHOOL
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2 Charitable Activities - Fees Receivable

(a) The School's fee income comprised:	2021 £	2020 £
Gross fees	18,827,257	18,753,628
Less: Spring term 2021/Summer term 2020 general discounts	(627,954)	(935,072)
Less: Bursaries, scholarships and staff remissions	(1,592,297)	(1,580,670)
	16,607,006	16,237,886
Add back bursaries and scholarships paid by restricted funds	169,516	162,794
	16,776,522	16,400,680

	Paid by general funds £	Paid by restricted funds £	Total 2021 £
(b) Means-tested bursaries and hardship awards	1,045,641	163,483	1,209,124
Scholarships	276,894	6,033	282,927
Staff remissions	100,247	-	100,247
	1,422,782	169,516	1,592,298

	Paid by general funds £	Paid by restricted funds £	Total 2020 £
Means-tested bursaries and hardship awards	1,032,953	158,633	1,191,586
Scholarships	275,405	4,161	279,566
Staff remissions	109,518	-	109,518
	1,417,876	162,794	1,580,670

Bursaries, scholarships and other awards were provided to 185 pupils (2020: 191). Within this, means-tested awards were provided to 74 pupils (2020: 77).

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3. JOINT VENTURE WITH HAMPTON SCHOOL

The School owns 50% of the issued share capital of Pupilcoach Limited, which provides a coach service for pupils attending the School and Hampton School. The remaining 50% of the share capital is owned by Hampton School, which is also a registered charity. The figures below reflect only the School's 50% share.

	2021	2020
	£	£
Turnover	587,729	520,617
Cost of sales	<u>(628,001)</u>	<u>(464,753)</u>
Gross (loss)/profit	(40,272)	55,864
Administrative expenses	<u>(23,743)</u>	<u>(21,050)</u>
(Loss)/profit before donation	(64,015)	34,814
Donations to the School	-	(34,814)
(Loss)/profit after donation	<u>(64,015)</u>	<u>-</u>
	2021	2020
	£	£
Current assets		
Debtors	1,815	3,109
Cash at bank and in hand	<u>17,614</u>	<u>61,316</u>
	19,429	64,425
Current liabilities	<u>(51,802)</u>	<u>(32,783)</u>
Net (liabilities)/assets	<u>(32,373)</u>	<u>31,642</u>
Capital and reserves:		
Called up share capital	31,642	31,642
Profit and loss account	<u>(64,015)</u>	<u>-</u>
	<u>(32,373)</u>	<u>31,642</u>

The joint venture donates its accumulated taxable profits (after offsetting losses incurred in prior years) in equal shares to the School and Hampton School under the Gift Aid scheme.

THE LADY ELEANOR HOLLES SCHOOL
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4. INVESTMENT INCOME

	2021 £	2020 £
Dividends from UK investment portfolio	61,515	61,933
Bank interest	108	18,083
	<u>61,622</u>	<u>80,016</u>

5. OTHER INCOME

	2021 £	2020 £
Charitable activities		
Other educational income	45,155	388,477
Registration fees	108,307	59,800
Rental income	85,804	97,319
Ancillary income	1,657,169	1,505,338
	<u>1,896,435</u>	<u>2,050,934</u>

Other educational income relates principally to income from trips and activities.

Ancillary income relates principally to income from extra curricular activities and catering.

6. INCOME FROM VOLUNTARY SOURCES

	2021 £	2020 £
Donations and grants		
Donations	437,581	416,604
Government grants	213,596	630,366
	<u>651,177</u>	<u>1,046,970</u>

During the current and prior year, Government grants were received principally under the Coronavirus Job Retention Scheme.

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7. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs Note 8	Other costs	Depreciation and impairment	2021
	£	£	£	£
Activities of subsidiaries	-	48,556	-	48,556
Cost of raising funds and development	-	5,462	-	5,462
Cost of finance	-	235,508	-	235,508
	-	289,526	-	289,526
Charitable activities				
Education and grant making				
Teaching	10,128,103	935,332	-	11,063,435
Other educational expenditure	-	41,109	-	41,109
Welfare	-	635,152	-	635,152
Premises and estates	996,460	1,258,934	1,208,417	3,463,811
Millennium Boathouse	-	179,472	-	179,472
Support costs*	1,797,193	1,078,095	-	2,875,288
Governance costs	18,258	28,614	-	46,872
	<u>12,940,014</u>	<u>4,156,708</u>	<u>1,208,417</u>	<u>18,305,139</u>
	<u>12,940,014</u>	<u>4,446,234</u>	<u>1,208,417</u>	<u>18,594,665</u>
	Staff costs	Other costs	Depreciation and impairment	2020
	£	£	£	£
Activities of subsidiaries	-	48,966	-	48,966
Cost of raising funds and development	-	45,508	-	45,508
Cost of finance	-	332,074	-	332,074
	-	426,548	-	426,548
Charitable activities				
Education and grant making				
Teaching	9,962,973	931,577	-	10,894,550
Other educational expenditure	-	393,471	-	393,471
Welfare	-	512,484	-	512,484
Premises and estates	1,050,750	1,105,983	1,381,606	3,538,339
Millennium Boathouse	-	102,608	-	102,608
Support costs*	1,689,692	1,132,440	-	2,822,132
Governance costs	18,258	32,314	-	50,572
	<u>12,721,673</u>	<u>4,210,877</u>	<u>1,381,606</u>	<u>18,314,156</u>
	<u>12,721,673</u>	<u>4,637,425</u>	<u>1,381,606</u>	<u>18,740,704</u>
Governance costs include:		2021	2020	
		£	£	
Audit fees		25,020	23,940	
Salaries+		18,258	18,258	
Governors' expenses		1,036	2,358	
Other governance costs		2,558	6,016	
		<u>46,872</u>	<u>50,572</u>	

* Support costs comprise administrative staff costs, general office expenses, recruitment costs, marketing costs, training costs and postage and stationery costs.

+ Governance costs include salary costs in connection with duties and processes related to Governors' meetings and other governance costs.

Auditors remuneration (excluding VAT) in respect of the audit of these group financial statements was £20,850 (2020: £19,950), in respect of associated entities was £5,475 (2020: £5,250), and other audit-related assurance services was £1,450 (2020: £1,000).

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8. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	10,074,044	9,925,067
Social security costs	1,035,832	1,026,037
Life assurance and private medical cover	34,266	38,618
Pension costs	1,795,872	1,731,951
	<u>12,940,014</u>	<u>12,721,673</u>

Aggregate employee-benefits of key management personnel	<u>£1,456,895</u>	<u>£1,417,622</u>
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The average number of employees during the year was:

Teaching staff	164	164
Teaching assistants	28	29
Support staff	<u>133</u>	<u>133</u>
	<u>325</u>	<u>326</u>

The following number of employees exceeding £60,000 emoluments:

£60,001 - £70,000	19	15
£70,001 - £80,000	3	4
£80,001 - £90,000	3	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£150,001 - £160,000	1	1
£220,001 - £230,000	1	-
£230,001 - £240,000	-	1

During the year, there were redundancy or termination payments made amounting to £40,167 (2020: £16,000).

The Governors received no remuneration during the current and preceding year. Travel expenses of £76 were reimbursed to one governor (2020: £44, 1 governor).

Governors donated a total of £762 to the School during the year (2020: £190).

PENSION CONTRIBUTIONS

During the year, the School contributed:

- £1,508,265 to the Teachers' Pension Scheme (2020: £1,467,508)
- £263,962 to a stakeholder pension scheme for non teaching staff (2020: £264,443)
- £208,038 to the Cripplegate Foundation Pension & Assurance Scheme, the closed defined benefit scheme for non-teaching staff (2020: £204,348). This transfer of funds was not expensed in the year.
- As explained in note 17b, an additional funding charge in respect of the Cripplegate Foundation Pension & Assurance Scheme of £183,000 was recognised in the year (2020: £7,000).

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NOTES TO THE FINANCIAL STATEMENTS
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9. COST OF FINANCE

	2021 £	2020 £
Fees In Advance Scheme debt-financing cost	11,278	12,574
Bank loan interest	219,230	308,500
Pension scheme financing cost	5,000	11,000
	<u>235,508</u>	<u>332,074</u>

10. FIXED ASSETS

Group and School	Tangible Assets			Intangible Assets
	Freehold Land & Buildings £	Motor Vehicles & Equipment £	2021 Total £	2021 Software £
Cost or valuation				
At 1 September 2020	39,115,975	4,051,688	43,167,663	29,264
Additions	1,922,165	294,157	2,216,322	-
Disposals	-	(28,161)	(28,161)	(29,264)
	<u>41,038,140</u>	<u>4,317,684</u>	<u>45,355,824</u>	<u>-</u>
At 31 August 2021	41,038,140	4,317,684	45,355,824	-
Depreciation				
At 1 September 2020	8,504,041	2,891,539	11,395,580	29,264
Charge in year	853,786	354,631	1,208,417	-
Disposals	-	(25,473)	(25,473)	(29,264)
	<u>9,357,827</u>	<u>3,220,697</u>	<u>12,578,524</u>	<u>-</u>
At 31 August 2021	9,357,827	3,220,697	12,578,524	-
Net book value at 31 August 2021	<u>31,680,313</u>	<u>1,096,987</u>	<u>32,777,300</u>	<u>-</u>
Net book value at 31 August 2020	<u>30,611,935</u>	<u>1,160,148</u>	<u>31,772,083</u>	<u>-</u>

Tangible fixed assets with a carrying value of £31,680,313 (2020: £30,611,935) are pledged as security for the Group's bank loans.

The capital expenditure contracted that has not been provided in the financial statements are £62,700 (2020: £nil).

THE LADY ELEANOR HOLLES SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
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11. FIXED ASSET INVESTMENTS

	2021 £	2020 £
Group investments - market value		
At 1 September	1,935,624	2,297,596
Liquidations	(250,868)	-
Unrealised gains / (losses) in market value	419,719	(361,972)
	<u>2,104,475</u>	<u>1,935,624</u>
Investment in joint venture (note 3)	31,642	31,642
Group investments at 31 August	<u>2,136,117</u>	<u>1,967,268</u>
Investment in subsidiary	1	1
School investments at 31 August	<u>2,136,118</u>	<u>1,967,269</u>

12. DEBTORS

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Fees receivable	6,176	65,642	6,176	65,642
Amounts owed by subsidiary and affiliated companies	94,782	-	310,176	169,400
Other debtors	100,232	121,333	100,187	121,303
Prepayments and accrued income	420,712	251,268	420,712	251,268
	<u>621,902</u>	<u>438,243</u>	<u>837,252</u>	<u>607,613</u>

THE LADY ELEANOR HOLLES SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

13 CREDITORS

	Group	Group	School	School
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within 1 Year				
Advance fees	1,889,275	1,714,780	1,889,275	1,714,780
Fees in Advance Scheme	388,131	366,779	388,131	366,779
Trade creditors	646,005	270,144	646,005	270,144
Other creditors	540,874	756,580	540,874	756,580
Place deposits refundable	1,229,100	1,180,900	1,229,100	1,180,900
Bank loan	883,333	883,333	883,333	883,333
Accruals	167,924	158,464	166,099	156,714
	5,744,642	5,330,980	5,742,817	5,329,230

Advance fees refers to fees received in a given year which relate to the provision of education in the immediately following academic year.

Fees received which relate to the provision of education in more than one future academic year are reported as Fees in Advance Scheme (also see note 14).

14. CREDITORS

	Group	Group	School	School
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due after 1 year				
From one to two years:				
Fees in Advance Scheme	191,593	162,867	191,593	162,867
Bank loan	883,333	883,333	883,333	883,333
	1,074,926	1,046,200	1,074,926	1,046,200
From two to five years:				
Fees in Advance Scheme	256,029	210,368	256,029	210,368
Bank loan	7,004,167	2,650,000	7,004,167	2,650,000
	7,260,196	2,860,368	7,260,196	2,860,368
More than five years:				
Bank loan	2,250,004	7,487,503	2,250,004	7,487,503
	10,585,126	11,394,071	10,585,126	11,394,071

The bank loan is secured by a charge over the freehold land and buildings of the School. The loan is repayable over 10 years from 2016, with part of the loan maturing in July 2026 and part in November 2026, and interest is charged based on a variable benchmark rate plus the bank's margin.

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Fees in Advance Scheme

Parents may enter into a contract to pay the School up to the equivalent of five years' tuition fees in advance. The money may be returned subject to specific conditions on receipt of one term's notice. In the table above, Fees in Advance Scheme creditors have been classified according to the year in which the fees are expected to be applied (assuming pupils remain in school). The balance shown below represents the total accrued liability under the contracts. The movements during the period were:

	£
Balance at 1 September 2020	740,011
Plus funds received during 2020/21	562,889
Amounts utilised in payment of fees:	(467,147)
	<hr/> 835,753 <hr/>

THE LADY ELEANOR HOLLES SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2021

15. FUNDS

The Group's reported funds are divided into three categories:

- 1) Unrestricted Funds – Constitute assets which can be spent by the School's Governors at their discretion in furtherance of the School's charitable objects.
- 2) Restricted Funds - Constitute assets which have been donated to the School for specific aspects of the School's charitable objects. The Governors must spend such funds for the stated purposes defined by the respective donors.
- 3) Permanent Endowment Funds - Constitute assets (including land, buildings or cash) which must be held permanently in furtherance of the School's charitable objects. The Governors are able to spend at their discretion the income generated by such funds.

Analysis of Group Net Assets Between Funds

	Tangible Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Creditors	Pension Liability	Total 2021
	£	£	£	£	£	£
Unrestricted funds						
Designated fixed asset reserves	28,332,965	-	(883,334)	(10,137,504)	-	17,312,127
Unrestricted free reserves	-	1,910,080	(44,337)	(447,622)	(871,282)	546,839
	28,332,965	1,910,080	(927,671)	(10,585,126)	(871,282)	17,858,966
Restricted funds	-	226,037	1,273,625	-	-	1,499,662
Endowment funds	-	-	-	-	-	-
Permanent endowment	4,444,335	-	-	-	-	4,444,335
	32,777,300	2,136,117	345,954	(10,585,126)	(871,282)	23,802,963

	Tangible Fixed Assets	Investments	Net Current Assets / (Liabilities)	Long Term Creditors	Pension Liability	Total 2020
	£	£	£	£	£	£
Unrestricted funds						
Designated fixed asset reserves	27,327,748	-	(883,333)	(11,020,836)	-	15,423,579
Unrestricted free reserves	-	1,780,372	730,511	(373,235)	(891,320)	1,246,328
	27,327,748	1,780,372	(152,822)	(11,394,071)	(891,320)	16,669,907
Restricted funds	-	186,896	1,053,667	-	-	1,240,563
Endowment funds	-	-	-	-	-	-
Permanent endowment	4,444,335	-	-	-	-	4,444,335
	31,772,083	1,967,268	900,845	(11,394,071)	(891,320)	22,354,805

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Movement in funds

	2020 Balance Brought Forward £	Income £	Expenditure £	Transfers £	Investment profits	2021 Balance carried forward £
Endowment funds						
Land & buildings	4,444,335	-	-	-	-	4,444,335
	4,444,335	-	-	-	-	4,444,335
Restricted funds						
Bursary funds	991,187	319,344	(163,483)	-	22,272	1,169,320
Building funds	17,229	80,000	(20,818)	-	-	76,411
Sundry restricted funds	232,147	44,282	(39,368)	-	16,870	253,931
	1,240,563	443,626	(223,669)	-	39,142	1,499,662
Unrestricted funds						
Designated fixed asset reserves	15,423,579	-	-	1,888,548	-	17,312,127
Unrestricted free reserves	1,246,328	19,179,478	(18,370,996)	(1,888,548)	380,577	546,839
	16,669,907	19,179,478	(18,370,996)	-	380,577	17,858,966
Total funds	22,354,805	19,623,104	(18,594,665)	-	419,719	23,802,963

	2019 Balance Brought Forward £	Income £	Expenditure £	Transfers £	Investment losses	2020 Balance carried forward £
Endowment funds						
Land & buildings	4,444,335	-	-	-	-	4,444,335
	4,444,335	-	-	-	-	4,444,335
Restricted funds						
Bursary funds	805,208	368,125	(162,794)	-	(19,352)	991,187
Building funds	14,042	3,187	-	-	-	17,229
Sundry restricted funds	249,933	16,433	(19,864)	-	(14,355)	232,147
	1,069,183	387,745	(182,658)	-	(33,707)	1,240,563
Unrestricted funds						
Designated fixed asset reserves	15,432,672	-	-	(9,093)	-	15,423,579
Unrestricted free reserves	888,156	19,235,390	(18,558,046)	9,093	(328,265)	1,246,328
	16,320,828	19,235,390	(18,558,046)	-	(328,265)	16,669,907
Total funds	21,834,346	19,623,135	(18,740,704)	-	(361,972)	22,354,805

Sundry restricted funds consist primarily of prize funds, rowing funds for equipment (including donations by the Hampton & Holles Boat Club), sports funds, donations by the Friends of LEH, donations to be made to LEH alumnae and donations to support sciences at the School.

Designated fixed asset reserves reflect unrestricted funds used by the School to purchase its tangible fixed assets to date (the carrying value of the School's tangible fixed assets less the debt used to purchase them less the amount allocated to the School's permanent endowment). See also Note 10.

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16. COMMITMENTS

- (a) On a joint basis with Hampton School, the School has leased land adjacent to the River Thames on the site of a redundant filter bed at the nearby Hampton Waterworks. The freehold of the land is owned by Thames Water plc and the original lease term was for 125 years. The purpose of entering the lease was to construct a boathouse and club facility for the joint benefit of both schools. Pursuant to an annual rent review, Thames Water increased the annual rent in October 2020 to £24,847.

The lease became operative in October 2000 and, on this basis, the School's undiscounted share of the liabilities is assessed as:

	<u>Due within 1 year</u>	<u>Due within 2-5 years</u>	<u>Due after 5 years</u>
2020/21	£12,424	£49,694	£1,242,350
2019/20	£12,225	£48,900	£1,222,500

- (b) The School is committed to making the following minimum lease payments under operating leases:

	Equipment 2021 £	Equipment 2020 £
Contracts due to expire in less than one year	34,026	41,582
Contracts due to expire within one and two years	1,670	19,470
Contracts due to expire in two to five years	107	7,345
	<u>35,803</u>	<u>68,398</u>

For the year ended 31 August 2021, total operating lease expense was £50,208 (2020: £54,039).

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17. PENSIONS

(a) Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,508,265 (2020: £1,467,508) 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.

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 control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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.

(b) Cripplegate Foundation Pension and Assurance Scheme

The School participates in the Cripplegate Foundation Pension and Assurance Scheme (the "Scheme"), a pension scheme providing defined benefits based on final pay. The Scheme was closed to future accrual in 2006. The assets of the Scheme are held separately from those of the employers participating in the Scheme and are invested in exempt investment funds. The Trustee of the Scheme is required to act in the best interest of the Scheme's beneficiaries.

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The Scheme is a non-segregated multi-employer scheme and, as a result, it is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the assets belonging to individual participating employers. The assets are comingled for investment purposes and the benefits are paid out of total Scheme assets.

The Trustee of the Scheme commissions a formal funding assessment every three years. The main purpose of this funding assessment is to determine the financial position of the Scheme in order to address the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

A funding assessment as at 5 April 2020 was carried out for the Trustee of the Scheme by a qualified independent actuary. As at this date, the fair value of the Scheme's assets was £10.7m and the present value of funded obligations was £12.6m giving a deficit for the Scheme as a whole of £1.9m as at 5 April 2020. The School's share of the deficit was estimated to be 45% of the total.

It is understood that the Scheme's Trustee has the discretion to segregate on cessation of participation by an employer. For a participating employer to cease to participate in circumstances where it has not become insolvent, it would be required to pay into the Scheme its share of the shortfall in the Scheme determined on a discontinuance basis.

The Scheme is a multi-employer scheme as defined in FRS 102 and, under the provisions of FRS 102 relating to multi-employer schemes, the School accounts for contributions paid to the Scheme as though it were a defined contribution scheme.

Under FRS 102, a liability is recognised in respect of the future contributions due under any commitment to make good the shortfall in the Scheme and to cover the Scheme's expenses.

During the year to 31 August 2021, the Trustee and employers agreed a new Schedule of Contributions, certified by the Scheme Actuary on 11 February 2021, which required contributions to the Scheme of £368,900 per annum between 1 April 2021 and 31 August 2025 to reduce the funding shortfall, together with contributions of £105,000 per annum from 1 April 2021 to 31 March 2026 to meet Scheme expenses. LEH's share of such contributions total £213,200 per annum.

A "liability" has been recognised, representing the present value, as at 31 August 2021, of the future contributions payable under the commitment in force at that date (that is, under the Schedule of Contributions). The discount rate used to value the liability was 0.45% p.a. (2020: 0.5% p.a.)

The movements in the pension liability during the years ended 31 August 2021 and 31 August 2020 were as follows:

	2021 £	2020 £
Movements during the year:		
Balance at start of year	891,320	1,077,668
Unwinding of the discount rate	5,000	11,000
Contributions paid	(208,038)	(204,348)
Additional funding charge	183,000	7,000
Balance at end of year	<u>871,282</u>	<u>891,320</u>

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The amounts recognised in the SOFA for the years ended 31 August 2021 and 31 August 2020 were as follows:

	2021	2021
	£	£
Amount recognised in the SOFA:		
Unwinding of the discount rate	5,000	11,000
Additional funding charge		
- due to change of basis	183,000	7,000

- (c) With effect from 1 September 2006 the School introduced a Legal & General Group Stakeholder pension scheme for non-teaching staff. Provided the employee contribution is 6% or more, the employer makes a contribution of 10% of annual pay. The contributions charge totaled £263,962 (2020: £264,443) and at the year-end £34,421 (2020: £37,330) was accrued in respect of contributions to this scheme.

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18. Consolidated Statement of Financial Activities – Comparative figures by fund-type

Year ended 31 August 2020	Unrestricted £	Restricted £	Endowment £	Funds Total £
Income and endowments from:				
School fees	16,400,680	-	-	16,400,680
Other income	2,050,934	-	-	2,050,934
Other trading activities				
Millennium Boat House	44,535	-	-	44,535
Investments				
Investment income	55,973	5,960	-	61,933
Bank and other interest	18,083	-	-	18,083
Voluntary sources				
Donations	665,185	381,785	-	1,046,970
Total income	19,235,390	387,745	-	19,623,135
Expenditure on:				
Activities of subsidiaries	48,966	-	-	48,966
Raising funds & development	45,508	-	-	45,508
Cost of finance	332,074	-	-	332,074
Charitable activities				
Education & grant making	18,131,498	182,658	-	18,314,156
Total expenditure	18,558,046	182,658	-	18,740,704
Net income from operations before investments losses	677,344	205,087	-	882,431
Losses on investments	(328,265)	(33,707)	-	(361,972)
Net movements in funds for the year	349,079	171,380	-	520,459
Balances brought forward	16,320,828	1,069,183	4,444,335	21,834,346
Balances carried forward	16,669,907	1,240,563	4,444,335	22,354,805

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19. ANALYSIS OF CHANGES IN NET DEBT

	Balance at 1 September 2020	Cash-flow	Debt Reclassification	Balance at 31 August 2021
Cash at bank	5,775,681	(315,864)		5,459,817
Loans falling due within one year	(883,331)	883,331	(883,333)	(883,333)
Loans falling due after more than one year	(11,020,837)	-	883,333	(10,137,504)
	(6,128,487)	567,467	-	(5,561,020)

20. SUBSIDIARY

As indicated in Note 1, the School owns all of the issued share capital of LEHI (Company Number 10099390), a company formed in 2016 to explore the possibility of opening British schools overseas. The School has entered into a support agreement with LEHI pursuant to which (i) the School has licensed certain intellectual property rights and provides a variety of services to LEHI and (ii) LEHI pays to the School a sum for such rights and services based on estimated market rates or a pro-rata allocation of the cost incurred by the School in providing such services.

During the year ended 31 August 2021, LEHI had a turnover of £150,000 (2020: NIL), gross profit of £140,000 (2020: gross loss £10,000) and a profit before tax and gift aid of £101,444 (2020: loss £48,966).

At 31 August 2021, LEHI had total assets of £151,870 (2020: £4,355), total liabilities of £217,220 (2020: £171,150) and shareholder's funds of (£65,350) (2020: (£166,800)).

21. RELATED PARTY TRANSACTIONS

During the year ended 31 August 2021, the School charged LEHI £46,150 (2020: £45,300) for the provision of staff, administrative services and use of certain intellectual property belonging to the School. At 31 August 2020, the School had a net debtor from LEHI of £215,395 (2020: £171,150). The School has agreed to support LEHI so that it can meet its liabilities as they fall due.

As indicated in Note 3, the School owns 50% of Pupilcoach Limited, a joint venture with Hampton School. The School has one employee who works exclusively on matters relating to Pupilcoach and whose salary and benefits are recharged by LEH to Pupilcoach. During the year ended 31 August 2021, the School charged Pupilcoach £35,490 (2020: £31,800) for such services and at 31 August 2021 had a net debtor with Pupilcoach of £94,782 (2020: net creditor £2,400).