

ST FRANCIS' COLLEGE TRUST
(A Charitable Company Limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Charity Registered No: 287694
Company Registered No: 01724197

ST FRANCIS' COLLEGE TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Governors (who are also the charity's trustees and the company's directors) present their report (which, for the purposes of company law, includes the strategic report and the directors' report), together with the financial statements of the charity, for the year ended 31 August 2021. These financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

The company was incorporated in 1983 and has been responsible for the College since then; however, the College has been educating girls since 1933.

The company's charity registration number is 287694 and its company registration number is 01724197. Its registered office and principal address is Broadway, Letchworth Garden City, Hertfordshire SG6 3PJ.

Governors

The Governors at the date of this report and those who served throughout the year are as follows:

Mr A W Goodwin* (Chairman)	Dr S M Richardson
Mrs P J Barlow (Resigned 31 December 2021)	Mr G D Ritchie*
Mr M J Dingemans*	Mrs A J Aldridge*
Miss E Ismay*	
Mrs S J Styles (Resigned 31 March 2022)	

* Members of the Finance Committee throughout the period

Senior Officers and Professional Advisers

Head:	Mrs B Goulding
Bursar:	Ms C Eames
Company Secretary:	Miss E Ismay
Principal Bankers:	Barclays Bank PLC, 5/6 High Street, Hitchin, Herts SG5 1BH
Solicitors:	Veale Wasborough Vizards, Narrow Quay House, Narrow Quay, Bristol BS1 4QA
Auditors:	Keelings Limited, Broad House, 1 The Broadway, Hatfield, Herts AL9 5BG

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

The College is a company limited by guarantee, with no share capital, and is governed by its Memorandum and Articles of Association.

Organisational Management

The Board of Governors meets to set strategy, determine policy and review operations at least three times a year. The Board is assisted by the Finance, Academic and Estates Committees, which are led by Governors and attended by senior College staff and, occasionally, by professional advisors. The leadership and management of the College is delegated to the Headteacher, supported by the Deputy Headteacher, the Bursar, the Director of Studies, the Head of Sixth Form and the Head of Prep Department (together the Senior Leadership Team). The Governors also meet with the Senior Leadership Team during the course of each year and at an annual 'Away Day' to consider broader issues.

Governing Body

The appointment, induction and retirement of governors are conducted in line with policies approved by the Board in March 2010. Nominations are usually received from Governors or the College's senior managers; new Governors may be elected at any general meeting and are selected because of the expertise they bring to the Board. All Governors receive an extensive information pack giving them information about the College, its governance, management and policies. New Governors are also provided with induction training and all Governors have the opportunity to attend further training and conferences as necessary. The College is a member of the Association of Governing Bodies of Independent Schools (AGBIS) and draws on guidance issued by that body.

Children of six of the governors serving during the year were educated at the College and two daughters of another Governor attended the College during the year.

Objects and activities

In accordance with its Memorandum of Association, the object of the College is to promote and provide for the advancement of the education of children in the United Kingdom and elsewhere, such education to be designed to give a sound Christian and moral basis to all children.

The College is a charitable company that seeks to benefit the public by the provision of a stimulating education, based on Christian values, which enables young women to thrive in an ever-changing global environment. The College aims to develop intellectually creative minds through a rigorous and supportive educational experience, whilst providing every pupil with close individual care. Our community aims to value the unique contribution of each person and to promote social responsibility, self-esteem and self-development.

Objectives for the Year

Within the general framework of its strategic aims, the College's main objectives for the year were to:

- provide high quality teaching to girls aged between three and eighteen, so that they are prepared for the challenges of modern life and are able to contribute to the broader community; and
- make its services and facilities available to the wider community.

In setting these objectives, the Governors gave appropriate consideration to the Charity Commission's general guidance on public benefit.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

To achieve the first of these objectives, the College:

- sought to improve the quality of the education offered by recruiting and retaining the best available staff, providing all staff with high levels of support and professional training and appraising all staff regularly;
- increased the frequency of pupil assessments and reporting to parents;
- continued to provide a wide choice of extra-curricular and after-school activities extending this provision further;
- maintained its links with the Kanyike Project in Uganda; visits to Unison World School in India were not possible due to the Corona Virus pandemic;
- continued to monitor the well-being of pupils and provide pastoral care;
- maintained a high level of communication with all stakeholders; and
- expanded and improved the promotion of the College through a bespoke video.

To achieve the second of these objectives, the College:

- awarded means-tested bursaries; and
- identified and acted on opportunities to make the College's resources available to state schools and other organisations operating for the benefit of young people.

STRATEGIC REPORT

Achievements and performance

Providing high quality teaching and encouraging engagement with the broader community

During the year 329 (2020: 373) pupils attended the College, of whom 36 were boarders (2020: 56).

Teaching staff took part in regular INSET training and CPD to ensure teaching was of the highest standard and reflected best practice. Academic results underline the standard of teaching; the overall A level pass rate was 100% (2020: 100%), with 78% (2020: 60%) of pupils achieving straight A*/A grades. At GCSE, 73% (2020: 73%) of grades were 7-9 (or A/A* in the old grading structure). The College's results continue to be well above the national average. Times Parent Power ranked the College 13 for Girls' Independent Boarding Schools for A levels.

Pupils took part in a wide range of extra-curricular activities that spanned academic, sport, arts and community endeavours. These included participation in the Duke of Edinburgh Award Scheme, which gave pupils an opportunity to serve as volunteers in the local community. Pupils also raised funds for a variety of charities, which included the Kanyike Project (which aims to relieve poverty and provide education to children in Uganda).

The College switched seamlessly to remote learning when the global pandemic forced a nationwide lockdown and continued to provide uninterrupted education during the restrictions of 2020-2021. Staff and pupils successfully ran a full timetable of lessons, co-curricular and extra-curricular provision.

It was another outstanding year for University applications, with 100 % of our students gaining their first choice places for Higher Education. 25% of this cohort went to Oxbridge. Our Sixth Form have gone on to study a wide range of subjects, including Medicine, Law and Engineering, at prestigious universities, including LSE, Warwick, Durham, UCL and Manchester.

Pupils have also had considerable success at national competition level, in Science Olympiads and UKMT Maths Challenges, as well as LAMDA and ABRSM examinations. They have worked alongside the University of Hertfordshire on genuine primary research into antibiotics in the soil. The Year 11 and 12 cohort have been directly involved in academic research, working successfully on a genome decoding project.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Providing access to services and facilities for the wider community

Bursaries, scholarships and fee concessions

The College offered means-tested bursaries to parents who might not otherwise be able to afford the fees usually charged by the College. However, the College has no investments or endowments to fund bursaries, so they are necessarily limited. Bursaries of £87,547 (2020: £92,729) were granted in the year to 11 pupils (2020: 10). The College also promoted achievement and access to the College by awarding academic, sports and arts scholarships of £281,631 (2020: £271,398) and by granting fee concessions of £72,264 (2020: £70,771) to staff, and parents with more than one child at the College.

Access to facilities

When COVID-19 restrictions have allowed, the College has made its facilities available to local state schools and a variety of organisations operating for the benefit of young people. State schools used the swimming pool free of charge and pupils from local schools were invited to participate in a variety of events such as drama and music. Letchworth Baptist Church, Letchworth & District Gang Show and other local groups also used facilities at a reduced rate. The College's mini-buses are made available to local Scout and Guide groups at a reduced rate.

Future plans and post balance sheet event

For nearly 90 years, since its inception in 1933, St Francis' College has faithfully served the needs of its local and wider community, and we are incredibly proud of the work of our staff, the senior leadership team, and governors in recent challenging years. The Governors have a strong commitment to providing students with the best possible education and a passion for ensuring the College's legacy continues for years to come. The global pandemic has impacted pupil numbers, with ongoing challenges in the recruitment of international pupils, and the College faces other financial headwinds, including the introduction of business rates, increased National Insurance Contributions and the impact of inflation on our cost base. With this in mind, the Governors decided to seek a long term, sustainable solution to continue to enhance the education provision and facilities at St Francis'.

After careful consideration, the Governors decided to enter into a new partnership with renowned educational provider, Inspired Learning Group ('ILG'), that will enable the College to continue providing the best possible education and opportunities for students and staff. ILG was chosen as the ideal partner for the College due to its shared vision and values and its strong track record in providing world-class education. ILG comprises 18 independent schools and nurseries, supporting over 2,000 students across South-East England.

On 12 May 2022, the operation of St Francis' College and all of the charity's tangible fixed assets, staff and certain other assets and liabilities were transferred to St Francis College Limited, part of ILG. The transaction was supported by an independent Qualified Surveyor's Report, to comply with the relevant provisions of the Charities Act 2011.

ILG has a strong and experienced team, with an Advisory Board, chaired by David Tidmarsh, former head of St Martin's, Northwood, and including Neil Roskilly, previous Chief Executive of the Independent Schools Association. ILG will be working very closely with Bronwen Goulding and her deputy, James Nichols, who will succeed Mrs Goulding on her retirement at the end of the academic year, to support them in implementing their continued vision of offering students the opportunity to discover and develop their full potential in terms of academic, sporting and creative achievements.

In addition, during the year the Governors decided to sell the College's long leasehold residential property to increase the liquid funds of the College. This property is not directly required by the College and was let to a third party throughout the year. The Governors valued the property at the year-end and categorised it as a current asset investment property in these accounts. The property was sold in the first quarter of 2022.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Financial review and results for the year

The College has reported an operating deficit of £703,000 this year (2020: deficit of £10,000). Income declined by £668,000 to £5.4m. A significant element of this is due to the pandemic, which impacted pupil numbers, in particular boarding, tuition fees (as a fee discount was provided during the second lockdown) and other educational and trading income. Expenditure was in line with the prior year, at £6.1m, despite inflationary pressures, due to continued careful cost control.

The long leasehold residential property, which was reclassified as an investment property in the prior year, has been included as a current asset and valued at its selling price, which was £875,000. The other tangible fixed assets which were sold, as described above, to ILG on 12 May 2022 have been written down to the amount of the purchase price allocated to them. Cash reduced by £182,000, to £1.1m. The College ended the year with net current assets of £190,000 (2020: £22,000) and total net assets of £1.8m (2020: £4.0m), of which just £1,336 (2020: £1,336) is restricted.

Reserves policy

Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. On this basis, the College does not have any Reserves, because its unrestricted funds of £1.81m (comprising 99.93% of its total funds) have all been invested in tangible fixed assets for use by the College. In the prior year, the Governors reviewed their Reserves policy and concluded that they would operate for the foreseeable future without any Reserves, and their Reserves policy became to have none. This did not imply any relaxation in the execution of their financial obligations towards the College, but simply acknowledged the fact that, subject to having sufficient cash, the Governors' primary aim was to provide the best possible educational facilities, which requires investment in fixed assets and therefore precludes the accumulation of Reserves by the College.

Investment policy

The Governors have the power to invest the College's funds as they see fit. However, as relatively little surplus cash was held, and returns on interest-bearing deposits were poor, cash was held in instant-access accounts and investment returns were negligible.

Risk Management

With the assistance of the Bursar, the Governors have assessed the major risks to which the College is exposed and have satisfied themselves that systems have been established, or that other appropriate measures have been taken, to mitigate those risks, insofar as is reasonably practicable, but it is recognised that systems cannot give absolute assurance that risks have been eliminated. Procedures are in place to monitor health, safety, welfare (including safeguarding) and ongoing financial viability, and to implement any recommendations made following internal or external reviews, for example, ISI inspections. The Governors and the Senior Leadership Team continue to keep the College's activities under review, including consideration of any major risks that might be present from time to time. The principal risk faced by the College is cash depletion, which could jeopardise the ability of the College to function. As noted in the Financial Review, measures have been taken to address this risk.

ST FRANCIS' COLLEGE TRUST

GOVERNORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Governors' responsibilities

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Governors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and their application, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Governors are required to:

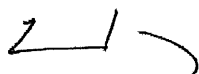
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

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

So far as the Governors are aware:

- there is no relevant audit information (information needed by the charitable company's auditors in connection with their work) of which the charitable company's auditors are unaware, and
- they have taken all the steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the Board of Governors at its meeting on 26 May 2022 and signed by order of the Board by:



Miss E Ismay
Company Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Opinion

We have audited the financial statements of St Francis' College Trust (the 'Charity') for the year ended 31 August 2021, which comprise the statement of financial activities, the balance sheet, the 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 Charity's affairs as at 31 August 2021 and of its incoming resources and application of resources 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 of 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 section of this report headed 'Our responsibilities for the audit of the financial statements'. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where the Governors (who are also the directors of the Charity for the purposes of company law and its trustees for the purposes of charity law):

- have used the going concern basis of accounting in the preparation of the financial statements when it is not appropriate; or
- have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Emphasis of matter

We draw your attention to page 4 of the Governors' Report, and Note 23 to the financial statements, which state that on 12 May 2022 the Charity disposed of St Francis' College, together with certain associated assets and liabilities; the staff also moved across to the new owner. From that date, the Charity ceased to operate St Francis' College. The sale proceeds will be used to settle the Charity's liabilities in full and the resultant surplus will be applied for charitable purposes. Our opinion is not modified in respect of this matter.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST FRANCIS' COLLEGE TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Governors

As explained more fully in the Statement of Governors' Responsibilities (set out on pages 5 and 6), the Governors 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 they 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

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

A fuller 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 auditors' report.

**INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF ST FRANCIS' COLLEGE TRUST**

Use of our report

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditors' 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 Charity's members as a body for our audit work, for this report, or for the opinions we have formed.



Domenico Maurello (Senior Statutory Auditor)
for and on behalf of Keelings Limited
Statutory Auditors, Chartered Tax Advisers
and Chartered Certified Accountants
Broad House
1 The Broadway
Old Hatfield
Hertfordshire AL9 5BG

26 May 2022

ST FRANCIS' COLLEGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds £	Restricted Fund £	Total 2021 £	Total 2020 £
INCOME:					
Donations		-	6,794	6,794	2,204
Government grants		-	72,054	72,054	151,778
Charitable activities:					
College fees	3	4,994,127	-	4,994,127	5,443,767
Other educational activities	3	223,397	-	223,397	315,570
Ancillary trading income	3	111,391	-	111,391	129,756
Other trading activities	4	26,653	-	26,653	60,003
Total incoming resources		<u>5,355,568</u>	<u>78,847</u>	<u>5,434,415</u>	<u>6,103,078</u>
EXPENDITURE:					
Charitable activities:					
College operating costs	7	6,058,903	78,847	6,137,750	6,113,550
Total expenditure		<u>6,058,903</u>	<u>78,847</u>	<u>6,137,750</u>	<u>6,113,550</u>
NET OPERATING (DEFICIT)		(703,335)	-	(703,335)	(10,472)
Gain on revaluation of investment property	8	175,000	-	175,000	602,089
Write-down of other tangible fixed assets	8	(1,659,059)		(1,659,059)	-
NET (EXPENDITURE)/INCOME (including property revaluation and fixed asset write-down)		<u>(2,187,394)</u>	<u>-</u>	<u>(2,187,394)</u>	<u>591,617</u>
Funds brought forward 1 September 2020		4,001,151	1,336	4,002,487	3,410,870
Funds carried forward 31 August 2021	14	<u>1,813,757</u>	<u>1,336</u>	<u>1,815,093</u>	<u>4,002,487</u>

All incoming resources and resources expended are derived from continuing operations.

As depreciation was again not charged this year on long leasehold property, the net deficit on an historical cost basis was also £2,187,394 (2020 surplus: £591,617).

The notes on pages 15 to 26 form part of these financial statements

ST FRANCIS' COLLEGE TRUST
(COMPANY NUMBER: 01724197)

BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	8	2,237,381	4,629,663
CURRENT ASSETS			
Residential property for sale	8	875,000	-
Debtors	9	103,797	138,112
Cash at bank and in hand		1,126,088	1,308,336
		<u>2,104,885</u>	<u>1,446,448</u>
CREDITORS: Amounts falling due within one year	10	<u>1,914,481</u>	<u>1,424,137</u>
NET CURRENT ASSETS		<u>190,404</u>	<u>22,311</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,427,784</u>	<u>4,651,974</u>
CREDITORS: Amounts falling due after more than one year	11	612,690	649,487
TOTAL NET ASSETS		<u><u>1,815,093</u></u>	<u><u>4,002,487</u></u>
FUNDS OF THE CHARITY:			
Restricted funds	14	1,336	1,336
Unrestricted funds	14	984,443	3,346,837
Fair value reserve	14	829,314	654,314
TOTAL FUNDS	14	<u><u>1,815,093</u></u>	<u><u>4,002,487</u></u>

Approved by the Board on 26 May 2022 and signed on its behalf by:



AW Goodwin - Chairman of Governors



A Aldridge - Governor

The notes on pages 15 to 26 form part of these financial statements

ST FRANCIS' COLLEGE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

	2021		2020	
	£	£	£	£
Cash flows from operating activities				
Net movement in funds		(2,187,394)		591,618
Interest payable	10,703		14,793	
Depreciation	96,866		89,493	
Gain on investment property valuation	(175,000)		(602,089)	
Write-down of fixed assets	1,659,059		-	
Decrease in debtors	34,315		60,991	
Increase/(Decrease) in creditors	541,290		(157,906)	
		2,167,233		(594,718)
Cash (absorbed) by operating activities		(20,161)		(3,100)
Cash flows from investing activities				
Purchase of tangible fixed assets	(63,643)		(30,495)	
Net cash used by investing activities		(63,643)		(30,495)
Cash flows from financing activities				
Bank loan repayments	(87,741)		(84,421)	
Interest	(10,703)		(14,793)	
Net cash used by financing activities		(98,444)		(99,214)
Change in cash in year		(182,248)		(132,809)
Cash at the beginning of the year		1,308,336		1,441,145
Cash at the end of the year		1,126,088		1,308,336

The notes on pages 15 to 26 form part of these financial statements

ST FRANCIS' COLLEGE TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

NOTES TO THE CASH FLOW STATEMENT

1. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	Balance at 1 September 2020	Cash flow	Balance at 31 August 2021
Net cash			
Cash at bank and in hand	<u>1,308,336</u>	<u>(182,248)</u>	<u>1,126,088</u>
	<u>1,308,336</u>	<u>(182,248)</u>	<u>1,126,088</u>
Debt			
Bank loan:			
Debt due within 1 year	(87,708)	(756)	(88,464)
Debt due after 1 year	<u>(372,114)</u>	<u>88,497</u>	<u>(283,617)</u>
	<u>(459,822)</u>	<u>87,741</u>	<u>(372,081)</u>
Total	<u>848,514</u>	<u>(94,507)</u>	<u>754,007</u>

The notes on pages 15 to 26 form part of these financial statements

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. COMPANY INFORMATION

The charitable company is incorporated in England & Wales; the address of the company's registered office is Broadway, Letchworth Garden City, Hertfordshire SG6 3PJ.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 (effective 1 January 2015). The Charity meets the definition of a public benefit entity set out in FRS102. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of the Charity's investment property.

The financial statements are prepared in pounds sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound.

2.2 Going concern

As explained in the Governors' Report and in Note 23, the Charity disposed of the College and certain associated assets and liabilities on 12 May 2022. The sale will result in all liabilities being discharged in full and a surplus remaining, which will be used for charitable purposes. Consequently, the Charity will have adequate financial resources for the foreseeable future (which, in particular, covers at least twelve months from the date these financial statements are approved) and so the going concern basis continues to be adopted in the preparation of the Charity's financial statements.

2.3 Critical accounting judgements and key sources of estimation uncertainty

In the application of accounting policies, the Governors are required to make judgements, estimates and assumptions that effect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgement with the most significant effect on these financial statements concerns the recoverability of debtors.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (continued)

2.4 Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised at cost, inclusive of any incidental expenses of acquisition. The Governors review the College's fixed assets annually for any indications of impairment and make provisions as necessary. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Long leasehold property	- when preparing the 2017 accounts, the Governors reviewed the residual value of the College's long leasehold properties in the light of FRS 102 and determined that it was similar to their net book value. They therefore resolved not to depreciate these assets further, unless this situation changed. It is only additions to long leasehold property (and not the property itself) that have been depreciated since 1 September 2017.
Improvements to leasehold property	- at rates varying between 4% and 10% on cost
Motor vehicles	- 20% on cost
Fixtures, fittings, furniture and equipment	- at rates varying between 10% and 33% on cost
Computers	- 25% or 33% on cost

2.5 Investment Property

Investment property is shown at fair value and is valued annually by the Governors. The gain or loss arising on revaluation or disposal during the year is included in the Statement of Financial Activities.

2.6 Financial Instruments

The financial assets and financial liabilities of the Charity are all basic financial instruments, as defined by FRS102. Bank loans, hire purchase and finance leases, repayable acceptance fees and fees billed in advance for more than one term are initially recognised at transaction value and measured subsequently at amortised cost. All other financial instruments are initially recognised at transaction value and measured subsequently at their settlement value.

2.7 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the College for particular purposes. The aim and use of each restricted fund is set out in these notes to the financial statements.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2. ACCOUNTING POLICIES (continued)

2.8 Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the performance conditions attached to the income have been satisfied, receipt is probable, and the income receivable can be measured reliably.

Amounts billed for termly fees and extra-curricular activities are recognised as incoming resources when receivable. Amounts received prior to the balance sheet date for subsequent terms are recorded as fees received in advance. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the College.

2.9 Government Grants

Income from Government grants, being in respect of the Job Retention Scheme, is recognised when the College has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

2.10 Resources Expended

Expenditure is recognised when there is a legal or constructive obligation for a payment to a third party, settlement is probable and the amount of the obligation can be measured reliably. Value added tax is not recoverable and is therefore included in the relevant expense.

All expenditure is classified under headings that aggregate all costs related to the category; where costs cannot be attributed directly to particular headings, they are allocated to activities on a basis consistent with the use of the resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company. They include the cost of board meetings, Governors' insurance and audit fees.

2.11 Pension Schemes

The College contributes to the Teachers' Pension Defined Benefits Scheme, which is a multi-employer pension scheme, at rates set by the Scheme Actuary and as advised to the College by the Scheme Administrator. It is not possible to identify the assets and liabilities that are separately attributable to the College and therefore, in accordance with FRS102, the scheme is accounted for as a defined contribution scheme. Contributions payable for the year, as advised by the Scheme Administrator, are charged to the SOFA.

For non-teaching staff, the College also contributes to individual personal pension schemes. These are all defined contribution schemes. Contributions payable for the year are charged to that year's SOFA.

2.12 Operating Leases

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the lease term.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

3. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
College fees		
Gross tuition fees	5,454,573	5,921,481
Less: scholarships, bursaries, discounts and allowances	(460,446)	(477,714)
	<u>4,994,127</u>	<u>5,443,767</u>
Other educational activities		
Language, music, dance and other tuition	199,914	233,224
College trips and courses	19,523	73,918
Other activities	3,961	8,428
	<u>223,397</u>	<u>315,570</u>
Ancillary trading income		
Coach, taxis and other pupil travel	70,151	81,766
Exam fees	5,367	3,563
Pupil insurance	8,592	10,352
Registration & entrance fees	15,756	13,528
After-school clubs	823	3,139
Other activities	10,702	17,408
	<u>111,391</u>	<u>129,756</u>

4. ACTIVITIES FOR GENERATING FUNDS

	2021	2020
	£	£
Letting of College facilities	25,653	58,003
Non-repayable acceptance fees and charges for late fees	1,000	2,000
	<u>26,653</u>	<u>60,003</u>

5. EXPENDITURE

The year's net operating deficit is stated after charging:

	2021	2020
	£	£
Depreciation – owned assets	96,866	89,493
Operating lease rentals	34,495	21,959
Auditors' remuneration for audit	7,000	7,000
Auditors' remuneration for other services	5,000	5,000
Bank loan interest	10,703	14,793
Governors' liability insurance	964	964

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

6. STAFF COSTS

Staff costs comprise:

	2021	2020
	£	£
Salaries and wages	3,156,294	3,042,472
Social security	306,029	292,866
Pension contributions	529,266	512,398
	<u>3,991,588</u>	<u>3,847,736</u>

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

	2021		2020	
	Individuals	Full-time equivalent	Individuals	Full-time equivalent
Teaching staff	80	62	79	63
Non-teaching staff	30	20	34	23
	<u>110</u>	<u>82</u>	<u>113</u>	<u>86</u>

One employee (2020: one) received emoluments that fell in the band between £100,000 and £110,000. With respect to this employee, the Charity is contributing to a defined benefit pension scheme.

One employee (2020: one) received emoluments that fell in the band between £70,000 and £80,000. With respect to this employee, the Charity is contributing to a defined contribution pension scheme. No employees (2020: no employees) received emoluments that fell in the band between £60,000 and £70,000.

During the year, no remuneration (2020: £nil) was paid to Governors. In addition to the Governors, the key management personnel of the College included the Head, the Deputy Head, the Director of Studies, the Head of Sixth Form, the Head of Prep and the Bursar. The aggregate employment payments, including employer's pension contributions, to or for these employees amounted to £483,535 (2020: £489,433).

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	2021 Total	2020 Total
	£	£	£	£	£
Charitable activities					
College operating costs					
Teaching	3,071,843	247,343	37,082	3,356,268	3,649,813
Welfare	-	686,725	6,643	693,367	618,107
Premises	176,074	504,601	46,498	727,173	837,275
Support	841,286	440,056	6,643	1,287,984	954,564
Governance	-	72,958	-	72,958	53,791
Total resources expended	<u>4,089,202</u>	<u>1,951,682</u>	<u>96,866</u>	<u>6,137,750</u>	<u>6,113,550</u>

Staff costs include payments of £97,614 (2020: £127,777) to peripatetic and agency staff.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

8. TANGIBLE FIXED ASSETS

	Investment property £	Long Leasehold Land and Property £	Motor Vehicles £	Fixtures, Fittings, Furniture and Equipment £	Computers £	Total £
COST OR VALUATION						
At 1 September 2020	700,000	5,211,151	97,584	1,625,846	391,991	8,026,571
Additions	-	-	-	15,029	48,614	63,643
Revaluation	175,000	-	-	-	-	175,000
Reclassification	(875,000)	-	-	-	-	(875,000)
Write-down	-	(1,536,366)	-	(70,750)	(51,943)	(1,659,059)
At 31 August 2021	<u>-</u>	<u>3,674,785</u>	<u>97,584</u>	<u>1,570,125</u>	<u>388,662</u>	<u>5,731,155</u>
DEPRECIATION						
At 1 September 2020	-	1,437,404	97,584	1,503,699	358,222	3,396,909
Charge for the year	-	-	-	66,426	30,440	96,866
At 31 August 2021	<u>-</u>	<u>1,437,404</u>	<u>97,584</u>	<u>1,570,125</u>	<u>388,662</u>	<u>3,493,774</u>
NET BOOK VALUE						
At 31 August 2021	<u>-</u>	<u>2,237,381</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,237,381</u>
At 31 August 2020	<u>700,000</u>	<u>3,773,747</u>	<u>-</u>	<u>122,147</u>	<u>33,769</u>	<u>4,629,663</u>

The Charity owned a long leasehold property that had previously been made available to the Headmistress. In recent years, the property was not required by the Headmistress and has been let to a third-party; consequently, it was shown above as an investment property. This property was sold on 1 February 2022 and has therefore been reclassified as a current asset at its selling price, which was £875,000.

All tangible fixed assets at the balance sheet date were included in the disposal of St Francis' College on 12 May 2022; these assets have therefore been written down to the amount of the purchase price allocated to them (which, with the exception of the long leasehold land and property, was £nil).

All tangible fixed assets were used for charitable activities.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

9. DEBTORS

	2021	2020
	£	£
Debtors for fees and lettings	24,462	24,832
Prepayments and accrued income	79,335	113,280
	<u>103,797</u>	<u>138,112</u>

10. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Bank loan	88,464	87,708
Trade creditors	237,497	187,493
Fees received in advance	1,280,036	857,696
Repayable acceptance fees	26,695	24,250
Social security and other taxes	74,313	72,894
Other creditors	59,003	57,865
Accrued expenses	148,473	136,231
	<u>1,914,481</u>	<u>1,424,137</u>

The College receives acceptance fees when pupils join and these are repayable when they leave. Acceptance fees held for pupils who have left, or who are expected to leave before the next balance sheet date, are included within creditors falling due within one year, with the balance shown as repayable after one year.

11. CREDITORS: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loan	283,617	372,114
Repayable acceptance fees	295,838	277,373
Fees received in advance	33,235	-
	<u>612,690</u>	<u>649,487</u>

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

12. FEES RECEIVED IN ADVANCE

Fees received in advance comprise the following:

	2021	2020
	£	£
Fees received in respect of the next academic year	1,280,036	857,696
Fees received in respect of subsequent academic years	33,235	-
	<u>1,313,271</u>	<u>857,696</u>

Fees in advance relate only to pupils remaining at the College.

The movement during the year in respect of fees received for subsequent academic years is as follows:

	£
Balance at 1 September 2020	-
Balance at 31 August 2021	33,235
Increase in year	<u>33,235</u>

13. BANK LOANS, HIRE PURCHASE AGREEMENTS AND FINANCE LEASES

The Charity's borrowings mature as follows:

	2021	2020
	£	£
Bank loans:		
In less than one year	88,464	87,708
In more than one year but less than two years	91,154	90,375
In more than two years but less than five years	192,463	281,739
After five years	-	-
	<u>372,081</u>	<u>459,822</u>

Bank borrowings are secured on the College's assets. The Charity's bank loans of £372,081 were repayable in monthly instalments by April 2025, with interest payable at a variable rate, which at the balance sheet date was 2.6% pa (2020: 2.6% pa). However, the Charity's bank borrowings were repaid in full on 12 May 2022, when the College was sold.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 August 2021 were represented by:			
Tangible fixed assets	2,237,381	-	2,237,381
Current assets	2,103,549	1,336	2,104,885
Creditors due within one year	(1,914,481)	-	(1,914,481)
Creditors due after one year	(612,690)	-	(612,690)
	<u>1,813,758</u>	<u>1,336</u>	<u>1,815,093</u>

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

14. STATEMENT OF FUNDS (continued)

	Balance at 1 September 2020 £	Incoming Resources £	Revaluation Gain £	Resources Expended £	Write-down of fixed assets £	Balance at 31 August 2021 £
Unrestricted funds	<u>3,346,837</u>	<u>5,355,568</u>	<u> </u>	<u>6,058,903</u>	<u>1,659,059</u>	<u>984,443</u>
Fair value reserve	<u>654,314</u>	<u>-</u>	<u>175,000</u>	<u>-</u>	<u> </u>	<u>829,314</u>
Restricted funds:						
Government Grants	-	72,054	-	72,054	-	-
Equipment Fund	<u>1,336</u>	<u>6,794</u>	<u>-</u>	<u>6,794</u>	<u>-</u>	<u>1,336</u>
	<u>1,336</u>	<u>78,847</u>	<u>-</u>	<u>78,848</u>	<u>-</u>	<u>1,336</u>
Total funds	<u><u>4,002,487</u></u>	<u><u>5,434,415</u></u>	<u><u>175,000</u></u>	<u><u>6,137,751</u></u>	<u><u>1,659,059</u></u>	<u><u>1,815,093</u></u>

The Equipment Fund comprises donations and grants received to purchase specific items of equipment. If there is no restriction on how or where the equipment is to be used, then, once the purchase has been made, the cost of the equipment is transferred to unrestricted funds. The balance of the fund represents unspent cash.

The Government Grants were furlough grants and were applied towards payroll costs.

15. TAXATION

The company is a registered charity and is exempt from taxation on income arising from and expended on charitable activities; no liability for taxation has arisen during the year.

16. COMMITMENTS UNDER OPERATING LEASES

Annual commitments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Expiring:		
- within one year	6,043	18,368
- between two and five years	<u>2,994</u>	<u>9,037</u>
	<u><u>9,037</u></u>	<u><u>27,405</u></u>

Responsibility for these leases transferred to the new owner on the sale of the College on 12 May 2022.

17. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member, in the event of a winding-up, is limited to £1.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

18. PENSION SCHEMES

The College participates in the Teachers' Pension Scheme (England and Wales) ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £505,433 (2020: £486,358). At the year-end, £58,235 (2020: £55,746) was owed in respect of this scheme.

The TPS is an unfunded, multi-employer, defined benefits pension scheme governed by the Teachers' Pensions Regulations 2010 and, from 1 April 2014, the Teachers' Pension Scheme Regulations 2014. 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 from public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary Department. The most recent actuarial valuation was as at 31 March 2016, published on 5 March 2019. This set the new employer contribution rate at 23.6% with effect from 1 September 2019, which is an increase of 44%.

To comply with legislation, employees who did not already participate in a workplace pension scheme were enrolled automatically into a new group personal pension plan on 1 May 2014. This scheme is a defined contribution scheme and employees have the right to opt out of it. Contributions to this scheme and to other defined contribution schemes are held in funds administered independently by insurance companies.

The College's total pension contributions payable for the year were £529,266 (2020: £509,610). At the balance sheet date, the College owed pension contributions of £58,937 (2020: £56,353).

19. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Governors.

20. RELATED PARTY TRANSACTIONS

No remuneration or expenses was paid to any Governor during the year, but the Charity did pay £964 (2020: £964) for Governors' indemnity insurance. During the year, one Governor (2020: one) was charged tuition fees of £33,318 (2020: £33,807), on the same terms as other parents. Two members (2020: two different members) of the Senior Leadership Team were charged tuition fees totalling £18,138 (2020: £21,082), after receiving the usual discounts available to staff members, and scholarships.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Fund £	Total 2020 £
INCOME:			
Donations	-	2,204	2,204
Government Grants		151,778	151,778
Charitable activities:			
College fees	5,443,767	-	5,443,767
Other educational activities	315,570	-	315,570
Ancillary trading income	129,756	-	129,756
Other trading activities	60,003	-	60,003
Interest receivable	-	-	-
Total incoming resources	<u>5,949,096</u>	<u>153,982</u>	<u>6,103,078</u>
EXPENDITURE:			
Charitable activities:			
College operating costs	5,959,568	153,982	6,113,550
Total expenditure	<u>5,959,568</u>	<u>153,982</u>	<u>6,113,550</u>
Gain on investment property revaluation	<u>602,089</u>	<u>-</u>	<u>602,089</u>
NET INCOME	591,617	-	591,617
Funds brought forward 1 September 2019	3,409,534	1,336	3,410,870
Funds carried forward 31 August 2020	<u>4,001,151</u>	<u>1,336</u>	<u>4,002,487</u>

22. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial liabilities measured at amortised cost	<u>727,849</u>	<u>761,445</u>
Interest on financial liabilities measured at amortised cost	<u>10,703</u>	<u>14,793</u>

Financial instruments measured at amortised cost comprise bank loans, repayable acceptance fees and fees billed in advance for terms other than the imminent one.

ST FRANCIS' COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

23. POST BALANCE SHEET EVENT

As described in the Governors' Report and in Note 2.2 above, on 12 May 2022 the Charity disposed of St Francis' College, together with certain associated assets and liabilities, to a new company, St Francis College Limited, which is part of the Inspired Learning Group. All staff and associated staffing costs and commitments also transferred to St Francis College Limited on 12 May 2022. From that date, the Charity has not been responsible for the continuing operation of St Francis' College. The sale agreement will leave the Charity with a surplus after settling all its liabilities in full; this surplus will be used for charitable purposes.