

**St Philip's
School
Trust
Limited**

**Annual Report and Financial
Statements**

31 August 2022

Company Limited by Guarantee
Registration Number
01789733 (England and Wales)

Charity Registration Number
288887

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Reference and administrative details of the charity, its governors, and advisers

Governors	J Dean J McIntosh E Orr R Llewellyn M Slater P Towneley
Headmaster	A Thomas
Registered principal office	6 Wetherby Place London SW7 4NE
Company registration number	01789733 (England and Wales)
Charity registration number	288887
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 95 Gloucester Road South Kensington London SW7 4SX
Accountants	SDK Educational Consultancy Ltd 10 Bath Road Old Town Swindon SN1 4BA

The Governors of St Philip's School Trust Limited, who are also directors of the company for the purposes of the Companies Act and trustees for the purposes of charity law, present their statutory report together with the financial statements for the year ended 31 August 2022.

The report has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 20 of the attached financial statements and comply with the School's Memorandum and Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Governance, structure and management

Constitution and legal status

The Charity is constituted as a company limited by guarantee. The Governors, who are also members, are liable to contribute an amount not exceeding £1 each on the event of winding up.

Governance

The Governing body is elected on the basis of nominations and recommendations received from various sources, with a view to ensuring as wide a mix as possible of relevant expertise. Members are eligible to stand for re-election.

The Governors maintain overall responsibility for the school and its assets and determine the general policy of the school.

The day-to-day running of the school is delegated to the Headmaster and his senior management team.

Governors

The Governors may appoint additional Governors under the terms of the Memorandum.

The following Governors were in office and served throughout the year, except where shown.

Governance, structure and management (continued)

Governors (continued)

Governors	Appointed / Resigned / Retired
F Deacy	
J Dean (Chairman)	
T MacFarlane	Retired 26 January 2022
J McIntosh	
M Slater	Appointed 9 March 2022
E Orr	Appointed 9 March 2022
R Llewellyn	
P Towneley	

No Governor received any remuneration from the school during the year (2021: £nil). During the year one Governor, who is also a parent, had one child attending the school. Fees paid by the Governors are the **same** as fees paid by others. There were no outstanding amounts at the year end. No Governor had any other beneficial interest in any contract with the school during the year.

Key management personnel

The Governors consider that they, together with the senior management team, comprise the key management personnel of the charity.

The senior management team during the year consisted of:

Name	Role
Alex Thomas	Headteacher
Dale Corr	Deputy Head

The Finance and General Purposes Committee considers the pay and remuneration of the school's senior management team and in reaching recommendations for the Governing Body consider the nature of the role and responsibilities, trends in pay and competitor salaries in the region available from publicly available sources.

Statement of Governors' responsibilities

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

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the school and of the incoming resources and application of resources, including the income and expenditure, of the school for that period.

Governance, structure and management (continued)

Statement of Governors' responsibilities (continued)

In preparing these financial statements, the Governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 school 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 school 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 school and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ so far as the Governor is aware, there is no relevant audit information of which the school's auditor is unaware; and
- ◆ the Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the school's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Organisational management

The Board meets once a term to determine the general policy for the Trust and to review its overall management and control, for which they are legally responsible.

A Finance and General Purpose Committee meets once a term. It reports to the Governors with recommendations on pay and conditions, financial obligations and fee and bursary policies.

A Pastoral Committee meets once per term. It reports to Governors with recommendations on safeguarding and child protection matters.

Governance, structure and management (continued)

Risk management

The Governors have assessed the major risks to which the school is exposed, in particular those related to the operations and finances and they are satisfied that systems are in place to mitigate the exposure to major risks.

The main risks the Governors have identified and the plans to mitigate those risks are:

- ◆ Reputation of the education and well-being of our pupils and the activities of the charity. This risk is managed through relevant policies which are embedded within the school through meetings, committees, staff and pupil awareness and having nominated senior management responsible for specific policies. Policies include: safeguarding policies, staff recruitment policies, health and safety policies.
- ◆ Income and cash flow to deliver the educational offering for the present and to invest in the school and charity, including its fabric for the long term future. The risk is managed by maintaining and where feasible increasing pupil numbers, identifying any trends that can be reduced associated with leavers, looking into non-fee income initiatives.

Activities, specific objectives and relevant policies

Principal aims and objectives

The principal aims and objects of the school promote the Roman Catholic Church and its tenets and to promote and provide for the advancement of education of children whether in the United Kingdom or elsewhere and in particular of children who (or whose parents or guardians) profess the tenets of the Roman Catholic Church or children who would benefit from being educated in an environment where such tenets are upheld and advanced.

Strategic aim and intended effect

The school's strategic aim to reach its annual objective is the attainment of the highest academic levels whilst allowing pupils to benefit from our extra-curricular programme. This is intended to draw out their abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful outcome at their chosen senior school. The pupils' moral, social and spiritual development is considered to be just as important as their academic progress.

Objectives for the year

The school's main objective continued to be the education of all the school's pupils to at least the same high standard achieved by the school in previous years, so that they will be fully able to benefit from their chosen senior school for the completion of their education in due course. Our strategy for achieving this is to maintain a high teacher-to-pupil ratio, tailoring our services as appropriate in each case to suit individual needs.

Grant making

The school is able to provide bursaries for pupils who would otherwise be unable to attend the school and also able to assist Parents who, due to a change in circumstances beyond their control, are judged to require financial assistance.

Achievements and performance

Review of the year and future plans

All 16 boys passed their Common Entrance examinations and took up places at their desired senior schools. Of those, 9 chose boarding at Radley (3), Harrow (2) Ampleforth (1), Tonbridge (1), Winchester (1), and Worth (1) with the remaining 7 moving onto day schools at London Oratory (3), Dulwich (2), and St Paul's (2).

Covid affected the School only to the extent that parent functions were limited, such as the Carol Service. Events that involved only the pupils, such as games and fixtures, returned to pre-pandemic normality.

Staffing changes included the following positions becoming vacant: Deputy Head, Head of Classics, Y3 class teacher, Head of Art, Head of Games. All were replaced with high-quality appointments.

Improvements to the physical estate were restricted to needs-only projects as the School is drawing up comprehensive development plans.

Fundraising performance

Once again, the parent body helped the school's fundraising efforts greatly during the course of the year via the effective Parents' Association. Proceeds were donated to the Carney Community Centre, who visited the School and performed a boxing technical session during Games.

Other than the above, the School did not undertake any public fundraising activity. There were no complaints in the year in relation to our fundraising.

Public Benefit

St Philip's boys contribute to the parish of the Oratory Church, Brompton Road, by serving Mass on Sundays, and by singing in the Junior choir of the church. Means-tested bursary support was advertised and awarded to deserving children from the local community. The School supports the Carney's Community Centre in Battersea.

Financial review

Results for the year

Income for the year was £1,460,823 (2021: £1,258,765). Expenditure was £1,656,999 (2021: £1,405,757). The net deficit for the year was £196,176 (2021: deficit of £146,992) before revaluation gains of £nil (2021: £125,000).

Overall, the Governors consider the financial affairs of the charity to be satisfactory, but they are aware of potential financial issues facing the independent schools sector and the constant need to monitor budgets and cash flow forecasts.

Financial position and reserves policy

Financial position

The balance sheet shows total funds of £5,592,566 (2021: £5,788,742).

The total funds are represented by a revaluation reserve, which represents the revalued amount of the school's freehold property, of £4,836,890 (2021: £4,836,890), general funds of £749,501 (2021: £923,450) and restricted funds of £6,174 (2021: £28,402). Bursaries, grants and allowances of £112,833 were provided from unrestricted and restricted funds (2021: £49,630). During the year, one 100% means tested bursary (2020: two) was provided to a pupil who would otherwise be unable to attend the school.

Reserves policy

The Governors believe that, as a target, the free reserves should represent a minimum of three months of expenditure, which for 2023 would be £414,250 (2021: £351,439).

Within general funds, £326,216 (2021: £357,432) represents funds deployed as part of the school premises, equipment and intangible assets, with the balance of £423,286 (2021: £566,018) being 'free reserves'.

The School therefore meets the minimum requirement of its free reserves policy, which will initially be used to cover any shortfall in income received, or where opportunity permits, use towards future capital projects.

Fixed assets

The main asset of the school is the freehold building. This was revalued by Scanlans Consultant Surveyors LLP on 8 November 2021 at £5,095,000.

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Summary

St Philip's School has again had a good year and our thanks go to all those who have helped to achieve this, staff, pupils and parents.

Approved by the Governors and signed on their behalf by: 31 May 2023

John Dean

Governors' report 31 August 2022

Approved by the Governors on: May 31, 2023

Independent auditor's report to the members of St Philip's School Trust Limited

Opinion

We have audited the financial statements of St Philip's School Trust Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the governors' report, which is also the directors' report 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 governors' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ the 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; or
- ◆ the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the governors' report and from the requirement to prepare a strategic report.

Responsibilities of Governors

As explained more fully in the governors' responsibilities statement, 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Our approach to identifying and assessing risks the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognize non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006) and those that relate to the Code of Fundraising Practice issued by the Fundraising Regulator.

Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ performed substantive testing of expenditure including the authorization thereof; and
- ◆ tested journals to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ review of the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2022

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.

31 May 2023

Buzzacott LLP

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities (including income and expenditure account)

Year to 31 August 2022

	Notes	Unrestricted funds £	Restricted funds £	Revaluation reserve £	Total 2022 £	Total 2021 £
Income from:						
Donations	1	15,000	6,174	—	21,174	20,132
Charitable activities						
. School fees receivable	2	1,439,400	—	—	1,439,400	1,238,537
Investments	3	249	—	—	249	96
Total income		1,454,649	6,174	—	1,460,823	1,258,765
Expenditure on:						
Charitable activities						
. Provision of education	4	(1,628,597)	(28,402)	—	(1,656,999)	1,405,757
Total expenditure		(1,628,597)	(28,402)	—	(1,656,999)	1,405,757
Net (expenditure) income	6	(173,948)	(22,228)	—	(196,176)	(146,992)
Other recognised gains						
Gains on revaluation of assets	11	—	—	—	—	125,000
Net movement in funds		(173,948)	(22,228)	—	(196,176)	(21,992)
Reconciliation of funds:						
Balances brought forward at 1 September 2021		923,450	28,402	4,836,890	5,788,742	5,810,734
Balances carried forward at 31 August 2022		749,502	6,174	4,836,890	5,592,566	5,788,742

The charity has no recognised gains or losses other than those shown above.

All of the charity's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible fixed assets	10		18,892		22,225
Tangible fixed assets	11		5,144,214		5,172,097
			<u>5,163,106</u>		<u>5,194,322</u>
Current assets					
Debtors	12	35,756		12,996	
Cash at bank and in hand		<u>832,531</u>		<u>1,075,149</u>	
		868,287		1,088,145	
Liabilities					
Creditors: amounts falling due within one year	13	(438,827)		(493,725)	
Net current assets			<u>429,460</u>		<u>594,420</u>
Total net assets			<u>5,592,566</u>		<u>5,788,742</u>
The funds of the charity:					
Unrestricted funds					
. General fund			749,502		923,450
. Restricted fund	14		6,174		28,402
. Revaluation reserve	15		4,836,890		4,836,890
			<u>5,592,566</u>		<u>5,788,742</u>

St Philip's School Trust Limited
Company Number 01789733 (England and Wales)

Approved by the Governors
and signed on their behalf by:

Governor

John Dean

May 31, 2023

Statement of cash flows 31 August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(241,535)	(179,986)
Cash flows from investing activities:			
Investment income		249	96
Purchase of tangible fixed assets		(1,332)	(11,852)
Net cash used in investing activities		(1,083)	(11,756)
Change in cash and cash equivalents in the year		(242,618)	(191,742)
Cash and cash equivalents at 1 September 2021	B	1,075,149	1,266,891
Cash and cash equivalents at 31 August 2022	B	832,531	1,075,149

Notes to the statement of cash flows for the year to 31 August 2022:

A Reconciliation of net movement in funds to net cash used in operating activities

	2022 £	2021 £
Net movement in funds (as per the statement of financial activities)	(196,179)	(21,992)
Adjustments for:		
Depreciation charge	29,216	29,877
Amortisation charge	3,333	3,333
Investment income	(249)	(96)
Revaluation of tangible fixed assets	—	(125,000)
(Increase)/decrease in debtors	(22,760)	1,067
Decrease in creditors	(54,897)	(67,175)
Net cash used in operating activities	(241,535)	(179,986)

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	832,531	1,075,149
Total cash and cash equivalents	832,531	1,075,149

C Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,075,149	(242,618)	832,531

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The School constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Governors and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ the valuation of freehold property.

In addition to the above, the full impact following the emergence of the covid-19 pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Assessment of going concern

The Governors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Governors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Governors of the School have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors are of the opinion that the School will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the school is entitled to receipt, the amount can be measured reliably and it is probable that the income will be received.

Income comprises income from donations, bank interest receivable and income from school fees.

Donations are recognised when the school has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the School is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the school and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the school; this is normally upon notification of the interest paid or payable by the bank.

Income from school fees is recognised when the School is entitled to receipt. This is usually at the point at which the school has commenced the provision of education at the start of each academic term.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings.

Expenditure recognition (continued)

Resources expended comprise the cost of charitable activities i.e. the cost of teaching and support staff salaries, including pension and national insurance costs, books, games equipment and other tuition expenses including associated support costs.

Intangible fixed assets

Intangible assets comprise a purchased licence capitalised at cost and amortised through the statement of financial activities on a straight line basis over the length of the licence.

Tangible fixed assets

All assets costing more than £600 and with an expected useful life exceeding one year are capitalised.

a. Freehold property

The freehold property is measured at valuation. The freehold property revaluation surpluses and deficits are transferred to the revaluation reserve.

Depreciation: the freehold property is maintained in a continual state of sound repair; the Trustees consider that the life of the property is so long and the residual value, based upon current values is so high, that depreciation is immaterial. On this basis, any depreciation charge would be immaterial and no depreciation has been charged.

b. Other tangible fixed assets

Other tangible fixed assets are measured at cost and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ Fixtures and equipment 25% per annum based on cost

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Pension costs

Contributions in respect of the defined contribution scheme and the Teachers' Pension Scheme are charged to the income and expenditure account in the year in which they are payable to the scheme.

Fund accounting

The revaluation reserve comprises the revalued amount of the school's freehold property. The value represented by such assets should not be regarded, therefore, as realisable.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the school's charitable objects.

Restricted funds represent monies which have been raised for a specific purpose or which are subject to restrictions on their use. Once the purposes have been fulfilled, or the funds used in accordance with the conditions, they are released to unrestricted funds.

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations	15,000	6,174	21,174	20,132
Legacies	—	—	—	—
Total	15,000	6,174	21,174	20,132

The restricted donations received in 2022 are for the use of bursaries.

	Unrestricted funds £	Restricted funds £	Total 2021 £
Donations	—	20,132	20,132
Legacies	—	—	—
Total	—	20,132	20,132

2 Income from charitable activities:

	Unrestricted funds	
	2022 £	2021 £
Gross school fees	1,503,426	1,262,925
Registration fees	12,250	7,204
Less: total bursaries, grants and allowances*	(112,833)	(49,630)
	1,402,843	1,220,499
Other income	36,557	18,038
	1,439,400	1,238,537

*During the year awards were made to six individuals (2021 – one individual).

3 Income from investments

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Bank interest	249	96

4 Expenditure on charitable activities

	Staff Costs £	Other £	Depreciation and amortisation £	Total 2022 £	Total 2021 £
. Teaching costs	939,385	106,564	—	1,045,949	970,797
. Catering costs	—	35,804	—	35,804	20,175
. Premises	—	132,963	—	132,963	113,798
. Sports costs	—	83,187	—	83,187	60,001
. Outings and Activities	—	27,197	—	27,197	14,765
. Governance costs (note 5)	—	145,224	—	145,224	40,520
. Other direct costs	—	21,553	—	21,553	18,381
. Support costs of schooling	70,636	61,938	32,548	165,122	167,320
	1,010,021	614,430	32,548	1,656,999	1,405,757

	Staff Costs £	Other £	Depreciation and amortisation £	Total 2021 £
. Teaching costs	890,621	80,176	—	970,797
. Catering costs	—	20,175	—	20,175
. Premises	—	113,798	—	113,798
. Sports costs	—	60,001	—	60,001
. Outings and Activities	—	14,765	—	14,765
. Governance costs (note 5)	—	40,520	—	40,520
. Other direct costs	—	18,381	—	18,381
. Support costs of schooling	80,171	53,939	33,210	167,320
	970,792	401,755	33,210	1,405,757

5 Governance costs

	Unrestricted funds	
	Total 2022 £	Total 2021 £
Audit	12,240	10,560
Legal and professional costs	132,984	29,960
	145,224	40,520

6 Net expenditure

This is stated after charging:

	2022 £	2021 £
Staff costs (note 7)	1,010,021	970,792
Auditor's remuneration		
- current year	12,240	10,560
Depreciation of tangible fixed assets	29,215	29,877
Amortisation of intangible fixed assets	3,333	3,333

7 Employees and staff costs

Staff costs during the year were as follows by the year end:

	2022 £	2021 £
Wages and salaries	759,225	725,252
Social security costs	79,717	73,129
Pension costs	157,615	151,964
	996,557	950,345
Other staff costs	4,800	20,447
Termination payments	8,664	—
	1,010,021	970,792

There was one non-statutory/non-contractual severance payment made during the year (2021: none).

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

	2022 Number	2021 Number
Teaching	16	16
Administration	2	2
	18	18

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2022 Number	2021 Number
£60,001 – £70,000	2	2
£80,001 – £90,000	—	1
£90,001 – £100,000	1	—
	3	3

Employer contributions made to a defined benefit scheme in respect of the above employees during the year amounted to £54,417 (2021: £51,560).

The key management personnel of the charity comprise the Governors together with the senior leadership team i.e. the Headmaster and deputy heads. The day to day running of the charity is delegated to the senior leadership team.

The total remuneration (including taxable benefits and employers' pension contributions) of the key management personnel for the year was £217,905 (2021: £207,694).

8 Governors' remuneration and insurance

No Governor received any remuneration in respect of their services during the year (2021: £nil).

During the year travel expenses amounting £206 (2021: £nil) were reimbursed to one Governors.

8 Governors' remuneration and insurance (continued)

There was no Governor, who is also a parent, that had children attending the school. Fees paid by the Governors are the same as the fees paid by others. There were no outstanding amounts at the year end. Fees paid by Governors in the year amounted to £18,150 (2021: £16,300).

The school has purchased insurance to protect the school from any loss arising from the neglect or defaults of its Governors, employees and agents and to indemnify the Governors or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £1,682 (2021: £284) and provides cover of up to a maximum of £2 million.

9 Taxation

St Philip's School Trust Limited is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Intangible fixed assets

	Total £
Cost or valuation	
At 1 September 2021 and 31 August 2022	50,000
Amortisation	
At 1 September 2021	27,775
Charge for year	3,333
At 31 August 2022	31,108
Net book values	
At 31 August 2022	18,892
At 31 August 2021	22,225

The intangible fixed assets comprise a licence purchased on 27 March 2013 for £50,000 to allow use of playing fields over a period of 15 years.

11 Tangible fixed assets

	Freehold Property £	Fixtures and equipment £	Total £
Cost or valuation			
At 1 September 2021	5,128,801	330,468	5,459,269
Additions	—	1,332	1,332
Revaluation	—	—	—
At 31 August 2022	<u>5,128,801</u>	<u>331,800</u>	<u>5,460,601</u>
At cost	33,801	331,800	365,601
At valuation	5,095,000	—	5,095,000
	<u>5,128,801</u>	<u>331,800</u>	<u>5,460,601</u>
Depreciation			
At 1 September 2021	6,458	280,714	287,172
Charge for year	—	29,215	29,215
At 31 August 2022	<u>6,458</u>	<u>309,929</u>	<u>316,387</u>
Net book values			
At 31 August 2022	<u>5,122,343</u>	<u>21,871</u>	<u>5,144,214</u>
At 31 August 2021	<u>5,122,343</u>	<u>49,754</u>	<u>5,172,097</u>

The school's freehold property at 6 Wetherby Place, London was revalued by Scanlans, Chartered Surveyors, on 8 November 2021 at £5,095,000.

12 Debtors

	2022 £	2021 £
Fees receivable	22,903	1,932
Prepayments and accrued income	12,853	11,064
	<u>35,756</u>	<u>12,996</u>

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	20,798	49,322
Deposits and fees in advance	363,769	393,114
Accruals	14,655	14,299
Social security and other taxes	39,605	36,990
	<u>438,827</u>	<u>493,725</u>

At the balance sheet date the school was holding funds received in advance for the Autumn 2022 term and also deposits for all pupils who attend the school.

14 Restricted funds

The funds of the school include restricted funds comprising the following balances held on trust to be applied for specific purposes.

	At 1 September 2021 £	Income £	Expenditure £	At 31 August 2022 £
Bursary fund	28,402	6,174	(28,402)	6,174

	At 1 September 2020 £	Income £	Expenditure £	At 31 August 2021 £
Bursary fund	19,470	20,132	(11,200)	28,402

15 Revaluation reserve

	Total £
At 1 September 2021	4,836,890
Net movement in year	—
At 31 August 2022	4,836,890

Details of the revaluation of the School's freehold property are given in note 11.

16 Allocation of net assets

	Fixed assets £	Current assets £	Current liabilities £	2022 Total £
Restricted funds	—	6,174	—	6,174
Unrestricted funds				
. General fund	326,216	862,113	(438,827)	749,502
. Revaluation reserve	4,836,890	—	—	4,836,890
	5,163,106	868,287	(438,827)	5,592,566

	Fixed assets £	Current assets £	Current liabilities £	2021 Total £
Restricted funds	—	28,402	—	28,402
Unrestricted funds				
. General fund	357,432	1,059,743	(493,725)	923,450
. Revaluation reserve	4,836,890	—	—	4,836,890
	5,194,322	1,088,145	(493,725)	5,788,742

17 Liability of members

The members of the school guarantee to contribute an amount not exceeding £1 each to the assets of the school in the event of winding up.

18 Pension Commitments

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The school is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The School has set out above the information available on the plan and the implications for School in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2014. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension costs paid to TPS in the period amounted to £154,571 (2021: £148,936).

Other Pensions

The school made employer contributions in respect of defined contribution schemes and private pension arrangements for three employees (2021: three employees). A total of £3,043 was paid out during the year ended 31 August 2022 (2021: £3,029).

19 Related Party Transactions

During the year ended 31 August 2022, the Governors approved services to be provided by McCarthy Denning, where John Dean (trustee) is a consultant and is involved in providing the services. The Governors concluded that these services would provide the best value for money for the School and John Dean did not take part in the decision to purchase these services. The cost of these services during the year was £46,233 (2021: £6,020).

Other than the transactions included above and in note 8, there are no further related party transactions to disclose.

20 Comparative statement of financial activities

	Unrestricted funds £	Restricted funds £	Revaluation reserve £	Total 2021 £
Income from:				
Donations	—	20,132	—	20,132
Charitable activities				
. School fees receivable	1,238,537	—	—	1,238,537
Investments	96	—	—	96
Total income	1,238,633	20,132	—	1,258,765
Expenditure on:				
Charitable activities				
. Provision of education	1,394,557	11,200	—	1,405,757
Total expenditure	1,394,557	11,200	—	1,405,757
Net (expenditure) income	(155,924)	8,932	—	(146,992)
Other recognised gains				
Gains on revaluation of assets	—	—	125,000	125,000
Net movement in funds	(155,924)	8,932	125,000	(21,992)
Reconciliation of funds:				
Balances brought forward at 1 September 2020	1,079,374	19,470	4,711,890	5,810,734
Balances carried forward at 31 August 2021	923,450	28,402	4,836,890	5,788,742

John Dean

May 31, 2023