

Company Number: 00116784
Registered in England
Charity Number: 309681

ST EDWARD'S SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

INTRODUCTION FROM THE CHAIRMAN



ST. EDWARD'S OXFORD

18 December 2020

The Governors' Report for the year ended 31 July 2020 should be read in the context of the unique circumstances presented by the global COVID 19 pandemic.

The announcement of a UK lockdown in March 2020 forced a radical and immediate change to almost all work practices and school routines. In response the Governors instigated a robust programme of support and oversight through weekly meetings with the senior team and substantial additional engagement across all key areas.

St Edward's School switched to online teaching and learning for the whole of the Summer Term with pupils and teachers working remotely. Support staff whose roles were temporarily not required, were placed on the government-backed Job Retention Scheme. All members of the Company's community rose to the challenge of adapting to the new circumstances. Pupils faced considerable uncertainty following the cancellation of A Levels, the IB and GCSEs, and the subsequent confusion surrounding the awarding of grades. Initially based on an algorithm, grades were eventually awarded in line with teachers' assessments following widespread public concern.

Great attention was paid to the wellbeing of pupils and staff. The tremendous ingenuity of online co-curricular and community activities played a vital role in combating loneliness and anxiety. Sports challenges, daily social media contact and countless virtual events kept the community connected, with pupils reporting at the end of term that the School had been reassuringly itself throughout.

Parents were supported by regular and open communications. Families facing acute financial difficulty as a result of the pandemic were invited to apply to a dedicated hardship fund overseen by Governors. With so many of the School's regular activities - such as lessons, assembly, Chapel and sport - transmitted direct to pupils' homes, parents enjoyed an unprecedented window onto the day-to-day life of the School.

The School contributed to fighting the pandemic by making available two boarding houses to NHS staff and through many individual efforts.

The financial impact of the global COVID 19 pandemic is outlined in the Financial Review on page 13 of the Annual Report and Financial Statements.

St Edward's School

CONTENTS

Governors, Officers and Advisers	4
Governors' Report	6
Statement of accounting and reporting responsibilities	17
Independent auditor's report to the members of St Edward's School	18
Group statement of financial activities	20
Group and School balance sheet	21
Group statement of cash flows	22
Notes to the financial statements	23

St Edward's School

GOVERNORS, OFFICERS AND ADVISORS

Governors, Directors and Trustees

The Governors of St Edward's School are its directors under company law and its charity trustees under charity law. The Governors who served in office during the year and subsequently are detailed below:

Name	Date of change	1	2	3	4	5	6	7	8
C I M Jones, MA, FRSA		✓	✓	✓	✓	✓	✓		*
Mrs S Ainsworth, MA, MSc, CQSW, Churchill Fellow	Appointed 26 June 2020			✓					
Mrs C M Baggs, BSc				✓					
Mr J Burrows, MA Oxon	Appointed 26 June 2020		✓						
Mrs G A S Dennis, BA, MA					✓			✓	
Dr L L Fawcett Posada, MA, DPhil			✓		✓				
G R I Howe (Fenton)	Resigned 18 September 2019	✓						✓	
D J Jackson, LLB		✓		✓		✓			✓
K M Macritchie, MA, BD, LLB		✓			✓			✓	✓
The Very Reverend M W Percy BA, Med, PhD									
Dr C Robertson, MBChB, MRCP(C)(Paeds), FRCPCH				✓					
M W Roulston, MBE, Med					✓				
M P Stanfield		✓						✓	
E W Stephenson, MA		✓				✓			✓
P Winston	Appointed 27 November 2020								

- | | | | |
|---|---------------------------------------|---|--|
| 1 | General Purposes Committee | 5 | Investment Committee |
| 2 | Education Committee | 6 | Audit Review Committee |
| 3 | Compliance and Safeguarding Committee | 7 | The North Wall Trust |
| 4 | Nominations Committee | 8 | St Edward's School International Limited |

Note * C I M Jones resigned from St Edward's School International Limited on 6 February 2020.

During the year, the activities of the Governing Body were carried out through eight committees. The membership of these committees is shown above. The Governors are grateful to R N C Franklin and W Powlett Smith who are co-opted governors on the Investment Committee and Audit Review Committee respectively.

Each Governor is also a member of St Edward's School and holds one share. Any issued shares in excess of the current number of Governors are held by the Chairman.

Officers (currently and throughout the year)

Warden	S C I Jones, MSc, MLitt, FRSA
Bursar and Company Secretary	S Withers Green, MA, ACA until 31 December 2019 E Hayter, BSc from 1 January 2020

It was announced in April 2020 that current Warden Stephen Jones will retire in July 2021, after what will be a decade with the School. The Governors look forward to welcoming Alastair Chirnside, currently Deputy Head at Harrow School, as the 14th Warden of St. Edward's School.

Principal address and registered office

Woodstock Road, Oxford, OX2 7NN

Websites

www.stedwardsoxford.org

www.thenorthwall.com

St Edward's School

GOVERNORS, OFFICERS AND ADVISORS

Advisers

Auditors

Critchleys Audit LLP, Beaver House, 23-38 Hythe Bridge Street, Oxford, Ox1 2EP

Bankers

Barclays Bank PLC, PO Box 858, 11 West Way, Oxford, OX2 0XP

Handelsbanken, 7th Floor Seacourt Tower, Oxford, OX2 0JJ

NatWest, Willow Court, Minns Business Park, 7 West Way, Oxford, OX2 0JB

Investment Managers

Quilter Cheviot, One Kingsway, London, WC2B 6AN

Insurance Brokers

Marsh Brokers Limited, Capital House, 1 – 5 Perrymount Road, Haywards Heath, West Sussex, RH16 3SY

Solicitors

Veale Wasbrough Vizards LLP, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA

St Edward's School

GOVERNORS' REPORT

The Trustees present, for the year ended 31 July 2020, the Annual Report under the Charities Act 2011, incorporating the Directors' and Strategic Reports under the Companies Act 2006, together with the audited financial statements of St Edward's School (a company limited by guarantee) ("St Edward's School" or "the Company") and independent auditor's reports.

The Company operates as a co-educational boarding and day school for pupils aged 13 to 18 ("the School").

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

St Edward's School is a charity which was founded by Trust Deed in 1863 ("the Charity") and became incorporated in 1911. The Charity is registered with the Charity Commission under charity number 309681.

St Edward's School is also a company limited by guarantee, and having a share capital, with the registered number 00116784.

In April 2012, St Edward's School established a wholly owned subsidiary charity, The North Wall Trust (Charity number 1146851 and Company number 07951538) for the advancement of education in the arts.

In August 2018, St Edward's School established a wholly owned subsidiary, St Edward's School International Limited (Company number 10919599) to monitor and implement its strategy to promote education and develop schools and colleges in other countries. St Edward's School International Limited commenced trading in the current financial year.

In this Annual Report and Accounts, St Edward's School and its subsidiaries are referred to as "the Group".

St Edward's School is governed by its Memorandum and Articles of Association. The Company adopted new Memorandum and Articles of Association at the Annual General Meeting in November 2015.

The Governors are also the Trustees of the Charity, and the Directors and Members of the Company for the purposes of company law. Details of the Governors who served during the year are included in on page 4.

Recruitment and appointment of Governors

New Governors are recruited mainly from the existing contacts of the School. Nominations are made to the Nominations Committee on the basis of personal competence and qualities. A broad range of knowledge, appropriate experience and skills are always sought when considering new appointments. Appointments are made for a limited period with the possibility of re-election after six years should that be appropriate.

Induction and training of Governors

New Governors are inducted into the workings of the Company and the School by the Clerk to the Governors. In-service training courses are provided for members of the Governing Body covering all aspects of governance and operations. The Warden is a member of the Headmasters' and Headmistresses' Conference ("the HMC") which provides its members with opportunities to share expertise, knowledge and experience across the independent school sector. HMC guidance, as well as guidance from other professional bodies and advisors, is regularly communicated to the Governing Body.

Management structure

The Governors, as the Charity's Trustees, are legally responsible for the overall management and control of the Company, the Charity and the School. The work of implementing the School's policies is carried out by eight committees:

- The General Purposes Committee ("GPC"): scrutinises the annual budget; considers the Group's performance against budget; considers the medium term financial plan and financial developments; oversees contracts and procurement; and reviews finance policies;

St Edward's School

GOVERNORS' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

- The Education Committee considers educational and pastoral policy;
- The Compliance and Safeguarding Committee oversees the School's compliance with safeguarding and other legislation;
- The Investment Committee reviews the investment policy of the School and liaises with the School's Investment Advisors;
- The Nominations Committee handles the appointment of new Governors; and
- The Audit Review Committee considers the annual report and financial statements and reports directly into the GPC.

The day to day running of the Company and the School is delegated by the Governors to the Warden and the Bursar, both of whom are appointed by the Governing Body. The Warden and the Bursar are invited to attend meetings of the Governing Body and all the committees. The Bursar is Secretary to the Governing Body and all its committees.

The remuneration of key management personnel is set by the Governors with the policy objective of: rewarding fairly and responsibly for individual contributions to the Company's success; and providing appropriate incentive to encourage enhanced performance. The appropriateness and relevance of the policy is reviewed annually, including reference to comparisons with other independent schools through benchmarking information that is in the public domain.

Employment policy

St Edward's School is committed to promoting equality of opportunity for all employees and to avoiding unlawful discrimination in employment. The Company aims to create a working environment in which all individuals are able to make the best of their skills and in which all decisions are based on merit.

The Company reviews the staff policies, including those on equal opportunities, whistle blowing and safer recruitment, on a regular basis. St Edward's School also complies with its requirement to publish and consider Gender Pay Reporting.

The Company informs all employees of matters of concern and issues affecting its operational and financial performance through communications and meetings if required.

A Common Room Liaison Committee operates for the Teachers and holds regular meetings, communicating with the Warden and Bursar where necessary. A nominated Governor is responsible for liaison between this Committee and the Governing Body. The Common Room Liaison Committee also meets annually with the Chairman of Governors.

Connected organisations

The St Edward's School Society (known as "the OSE"), including the Martyrs and the Friends of St Edward's School, held a number of sporting, educational and social events throughout the year. The Governors would like to take this opportunity to thank both organisations for everything they do to support the School. Further details of transactions with related parties are set out in Note 24 to the financial statements.

In addition, former pupils and parents volunteer with fundraising and other activities at the School. The Governors would also like to record how much they appreciate their continuing and valuable support for the work of the School.

St Edward's School

GOVERNORS' REPORT

OBJECTS, AIMS AND ACTIVITIES

The Company's objects, as set out in the Memorandum of Association, are for the benefit of the public, to promote and provide for the advancement of education of children and young people, in particular by providing, conducting, governing, carrying on and maintaining in the United Kingdom, or elsewhere, a boarding and/or day school or schools in which the teaching shall include religious education in accordance with the principles of the Church of England and by ancillary or incidental educational and other associated activities.

In accordance with the Company's objects, St Edward's School aims to develop pupils that are equipped to face the opportunities and uncertainties of life as leaders with:

- intelligence and curiosity;
- creativity and innovation;
- integrity and honesty;
- resilience and enthusiastic participation;
- moral courage and responsibility for their actions;
- a sense of compassion and service; and
- an understanding of, and respect for, other people and the human condition.

St Edward's School's ethos underpins everything that it does and is the touchstone against which all plans are tested for the future. There is a liberal and open ethos, which values creativity and innovation. The focus lies in fostering the development of the pupils to ensure they have every opportunity to achieve success at the highest level in academic and co-curricular activities. In order to achieve these aims, the Company's primary objectives in the financial year under review were:

- to maintain the present low pupil/teacher ratio of around 7:1. The Governors continue to believe that this gives pupils the best possible learning environment and level of guidance to develop both academic and wider skills and is also necessary to support the School's boarding model;
- to keep the academic syllabus and pastoral care under constant review;
- In line with the School's ethos of creativity and innovation highlighted below, to continue to promote a forward-looking academic programme to provide pupils with the best possible preparation for their futures;
- to attain the highest possible standards of academic achievement as measured by external public examinations and various independent value-added criteria;
- to balance academic achievement by providing a programme of total education which allows pupils full scope for the development of extra-curricular skills as well as academic prowess;
- to maintain the School's roll at a level commensurate with financial stability;
- to provide scholarships and bursaries, with a target for these fee remissions of 10% of gross fees; and
- to include pupils from local state schools wherever possible; to make facilities available to state schools as well as local clubs and societies; to share teachers or teaching facilities with local state schools; and to provide know-how or teaching materials.

In setting objectives and planning activities, the Governors have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

The Governors welcome pupils to St Edward's from all backgrounds and believe all pupils benefit from learning within a diverse community. Quite apart from the formal teaching, a great deal of learning is engendered by social interaction, conversation and shared experiences which help the pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

St Edward's School

GOVERNORS' REPORT

OBJECTS, AIMS AND ACTIVITIES (continued)

Before admitting a prospective pupil, care is taken to assess whether the School will be able to educate and develop him or her to the best of their potential and in line with the general standards achieved by their peers. Entrance interviews and assessments are undertaken to satisfy not only the School but also parents that potential pupils will be able to cope with the pace of learning and will benefit from the education provided. An individual's economic status, gender, ethnicity, race, religion, or physical disability does not form part of the assessment processes.

The Governors are committed to safeguarding and promoting the welfare of pupils at St Edward's and expect all staff and volunteers to share this commitment. In the last integrated Independent Schools' Inspectorate report, the quality of the pupils' achievement and learning, their spiritual, moral, social, and cultural development, the contribution of curricular and extra-curricular provision, of teaching, of pastoral care, and boarding, are all described as excellent. In the latest regulatory compliance inspection, all standards were met.

Parents are given regular information about their child's social and academic progress through parent evenings and regular academic grade card reports. The School also maintains contact with parents during the year through informal contacts and through the newsletter, magazine, website and social media. Each pupil has a tutor responsible for their pastoral care and academic development. The School also has a pupil mentoring system which assigns a Sixth Form pupil to each new pupil to assist the Housemaster or Housemistress in the pastoral care. Finally, the School also has a pupil peer listening programme which has provides the pupils with another level of personal support within the School.

ACHIEVEMENTS AND PERFORMANCE

During the financial year, the School provided education to an average of 695 (2018/19: 690) pupils, of whom 119 (2018/19: 115) were day and the remainder boarders. This is the highest number of pupils that the School has achieved in its history. The Governors congratulate all Pupils in the School for their efforts and achievements across a whole range of activities.

Academic achievements

This academic year has been a record-breaking year for St Edward's Sixth Formers with 55% of all grades awarded at A*/A in the A Level or Levels 7/6 in the IB Diploma. Furthermore, 87% of all grades were awarded at A*-B or Levels 7-5, which represent the best results in the School's history. Individually, in the IB Diploma 52% of all grades were awarded at Levels 7/6, and 86% were at Levels 7-5. In the A Levels, 58% of all grades were A*-A and 88% were at A*-B.

For our Fifth Formers, 61% of GCSE grades were awarded at Levels 9-7 and 89% were at Levels 9-5.

The Upper Sixth maintained the School's excellent record of sending pupils to the best universities in the UK and overseas. The top UK university destinations are all Russell Group: Exeter, Newcastle, Edinburgh, Bristol, UCL and Durham. In addition, one pupil was awarded a place at Oxford. Overseas, the pupils took up places at Northeastern in Boston; Pepperdine in California; the University of Florida; Notre Dame in Indiana; and Loyola Marymount in LA.

Other achievements

Music and the arts continued to flourish as 55% of pupils learn a musical instrument or discipline of some kind. In addition, one in seven pupils learn speech and drama each week, individually or in pairs, and one in eight of pupils learn dance. The School has been particularly interested to note the rise in interest for Music Technology and has started the A-level Music Tech course as well as providing a Pathway course in that subject area.

During lockdown, the School continued to produce weekly concerts, on video, and over 200 views were gained for every single concert. These "Friday at Five" chamber concerts mirrored the School's usual weekly recitals, but collated performances from pupils' own homes. In addition, there were: choir projects recorded with each

St Edward's School

GOVERNORS' REPORT

ACHIEVEMENTS AND PERFORMANCE (continued)

individual part in their homes and then constructed in the School's studio; virtual chapel services; specific projects included for May Day (a madrigals quartet) and VE Day (a quintet singing *We'll Meet Again*).

Gaudy Week also went virtual, with a different video performance premiered on the School's website each night: a LAMDA and Drama Department montage; a pupil performance of *A Midsummer Night's Dream*; a Leavers' Platform with individual final performances and a pupil video of the community singing *Bohemian Rhapsody*; a Dance Showcase editing together the dancers from their homes but producing massed ensemble pieces in the studio; and Gaudy speeches and prize-giving, including a pupil video of *You Shall Be Found* with twenty Sixth Form singers combining in a performance to raise money for Black Lives Matter.

In sport, the major team sports remain popular choices for many pupils. For girls, hockey and netball are particularly well supported and for boys rugby and rowing are favourites. Strong team performances were recorded against many other schools during the Autumn and Spring terms of the academic year, in particular in the Senior girls hockey teams and the Shells rugby squad. Unfortunately the global COVID 19 pandemic meant that the Summer term was a virtual sport environment for pupils. Team games afternoons were reduced to virtual training sessions, which were well attended, particularly in the Boat Club senior squad who held great promise this year. Live sports options were offered in a range of sports from rowing to circuit training so covering individual as well as team sports.

PUBLIC BENEFIT

Each year the Governors receive a comprehensive public benefit report on how the Company has promoted social responsibility. The report looks at specific areas which are summarised below:

Pupil Access Policy

As a charitable company, St Edward's School seeks to benefit the public through the pursuit of its stated aims. The School's fees are set at a level to ensure the financial viability of the Company and consistence with the aim of providing a first-class boarding education to boys and girls. However, it is important that access the School's education is not restricted simply to those who can afford the full fees. From September 2020, changes will be made to scholarship and bursary arrangements in order to make a St Edward's School education available to as wide a number of young people from all backgrounds as possible.

The Company does not have a large endowment and, in providing scholarships and bursaries, the Governors have due regard to financial constraints of the Company. The Governors are also mindful that there is an equitable balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The School offers scholarships and awards to recognise and encourage both high academic potential and the ability to excel in co-curricular activities. Accordingly, scholarships and awards are granted on the basis of an individual's academic potential or evidence of exceptional abilities which will contribute to co-curricular activities. The Governors view bursary awards as highly important in helping to ensure that children from families who would otherwise not be able to afford the full fees can access the education that is offered by St Edward's School. Hardship bursary awards are made in circumstances where a pupil's education and future prospects would otherwise be at risk. In assessing means, a number of factors are taken into consideration, including family income, investments and savings.

The majority of scholarships, awards and bursaries have been awarded with a fixed remission of fees of between 5% and 10%.

Information about fee assistance through scholarships and bursaries is made available to all applying to the School. The Governors ensure that the availability of these awards is well publicised, through advertisements, on the website, in the prospectus, in the School's publications and via social media.

St Edward's School

GOVERNORS' REPORT

PUBLIC BENEFIT (continued)

During the year, the number and value of bursaries and scholarships was as follows:

	2020	2019
Means tested bursaries		
Total cost	£1,900,934	£1,968,455
Number of Pupils	101	96
Of which, received full remission from fees	19	24
Scholarships		
Total cost	£500,230	£406,476
Number of Pupils	157	156
Of which, also received a Bursary	65	64
Total number of Pupils receiving funding from School	185	188

In addition, the School provided 1,694 (2018/19: 1,809) free music lessons to 31 (2018/19: 35) Music Scholarship Pupils.

In having regard to the Charity Commission's guidance, the Governors consider that the Pupil Access Policy described herein is well designed to ensure that the beneficiaries of the charity's work are appropriate; not unreasonably restricted; and include a genuine opportunity for those who cannot afford the School's full fees.

Inclusion

During the year, the School included pupils from the local area in activities arranged on site. For example, during Gaudy, pupils from local primary schools were hosted for a day of team building and various schools attended the annual Classics Conference.

Sharing teachers and teaching facilities

The School's teachers find time to be involved in events that help local children. For example, the School's hockey coaches host a special session for pupils from the nearby Cherwell School who are interested in playing hockey. Pupils from the Cherwell School and the Cheney School also joined our pupils in the Autumn and Spring terms for Geography lectures given by experts from Oxford, Reading and London Universities. Other teachers have tutored state school pupils online as part of Oxford University's Access Project, or provided weekly drum and guitar lessons to the pupils of Northern House School Oxford (part of the Gallery Trust).

Providing know-how and teaching materials

In order to share our knowledge, as well as learn from others, the School's staff network with other schools. This include members of staff who are governors at other schools and staff who provide their knowledge, for example in refereeing, library skills and drama workshops.

Facilities available to young people

As reported in previous years, St Edward's School Boat Club provides a permanent base for Hinksey Sculling School. This charity offers rowing experience to school age children, primarily for those at state schools. The School also allows Summertown Stars AFC, the largest young people's football club in Oxfordshire, to use its facilities for training and playing football matches.

The Company allows local hockey and cricket clubs to use the playing fields at reduced rates, and provides Oxfordshire's cricket and rugby youth organisations free use of pitches for training and matches. The Gloucestershire County Cricket Academy uses the indoor nets for the out of season training and practice at no charge. Given the benefit this brings to pupils, the Company subsidises the cost of the coaches. Finally, the Art Department supports Oxpots, a charity that allows partially blind and blind adults to experience creating pots on Tuesday afternoons.

St Edward's School

GOVERNORS' REPORT

PUBLIC BENEFIT (continued)

Activities for the wider community

A highly active programme of support for the local community is maintained through partnerships with a large number of organisations including: Oxford Mutual Aid - providing free meals for vulnerable families on a weekly basis; FarmAbility - providing opportunities for pupils to work alongside young people with learning disabilities and emotional difficulties on a community farm with whom the Company shares land near the Boat House; and the Gatehouse drop-in centre – which is for homeless and vulnerable adults. The pupils also take part in the local community through the School's Community Services Programme, the Duke of Edinburgh Award, and the Creativity, Activity, Service element of the International Baccalaureate.

The Company's most obvious contributor to its public benefit provision is The North Wall Trust, which advances education in the performing, theatre and visual arts, including educational courses and the production of artistic works. The theatre provides an excellent and very diverse programme, the quality of which is achieving growing nationwide recognition. Whenever possible, The North Wall is also made available for hire to external arts, charitable, educational and business organisations looking to put on their own performances, meetings, and fund raising events. Due to the global COVID 19 pandemic, the programme of activity at The North Wall Trust was curtailed from April this year, but will resume the programme as soon as conditions permit.

From April to July 2020, the Company rented two boarding house to the NHS in order that key NHS workers, who needed to shield their families, could be housed close to their place of work at the John Radcliffe Hospital near to the School. This involved the provision of daily cleaning and laundry services which members of the Company's staff offered to support during the lockdown period

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have implemented a number of systems to continuously identify, assess and reduce risks that the Company faces, especially in operational areas in relation to teaching, health and safety and the control of finances. The Governors have also approved policies and systems for: the recruitment, selection and vetting of new staff; child protection; supervision of students around the School's site; and internal financial controls. As a summary, the Governors maintain a Risk Register which identifies the major risks to which the Company is exposed and which is monitored regularly in consultation with the Governing Body committees.

Through this risk management process, the Governors are satisfied that the Company's major risks have been adequately mitigated so far as is possible. However, the Governors recognise that any system can only provide reasonable rather than absolute assurance that major risks have been adequately managed. Adequate risk protection or insurance has been arranged where a significant financial risk remains a possibility.

The Governors have assessed the principal external and internal risks facing the Company as:

- Continued ability to attract pupils;
- Continued ability to recruit high calibre staff, both teaching and support staff;
- Any change in government policy towards the independent school sector;
- Constantly changing A Level and GCSE curriculums, examinations and marking regimes;
- Protection of the School and pupils from the challenges of digital technology, whilst embracing and exploiting the educational benefit that it brings; and
- Maintaining the School's excellent reputation, especially as it becomes involved in activities overseas.

In addition, the Governors are aware that the continuing risk from the global COVID 19 pandemic may impact on the Company's potential future income from its programme of lettings and public activities. The Company will also continue to incur additional costs in order to meet the additional health and safety challenges.

St Edward's School

GOVERNORS' REPORT

FINANCIAL REVIEW

Results for the financial year

During the financial year, the School provided education to an average of 695 (2018/19: 690) pupils, of whom 119 (2018/19: 115) were day and the remainder boarders. Termly fees for the year ended 31 July 2020 were:

Day	£10,530 for Autumn and Spring terms; £9,870 for Summer term (2018/19: £10,065)
Boarding:	£13,160 for Autumn and Spring terms; £9,870 for Summer term (2018/19: £12,615)

In addition, a further reduction of £750 in fees was available to each pupil in the second half of Summer term.

The operations of the Company were severely impacted from March 2020 onwards due to the national lockdown imposed by the Government in response to the global COVID 19 pandemic. The Governors took immediate steps to: ensure the continued education of the School's pupils using remote technology; and furlough those staff that were non-essential to the operation of the Company in lockdown. As a consequence of these actions, the Company reduced the fees for the Summer term for all pupils to £9,870, resulting in a substantial loss of income, and gratefully received some £1.2million in financial grant support from the Government through the Job Retention Scheme. The Company's Easter and summer programme of lettings to education providers was cancelled, as were the public activities of The North Wall Trust. Throughout this difficult financial year, the Governors have paid particular regard to the impact on the Company's parents, pupils, suppliers and staff of its operational and financial decisions.

Financing costs of £413,000 (2018/19: £556,000) were incurred, net of capitalised interest of £936,000 (2018/19: £753,000) relating to assets under construction, as set out in Note 6.

The Group's Statement of Financial Activities shows net income before investment losses of £1,718,000 (2018/19:1,082,000). Reflecting the impact of the global COVID 19 pandemic on businesses and stock markets, the Company suffered losses on investments of £283,000 (2018/19: gains of £198,000). Overall, the result for the year was a Group net income of £1,435,000 (2018/19: £1,280,000).

The Company recognised a liability of £155,000 (2018/19: £185,000) relating to the pension deficit contributions payable in respect of the Pension Trust Growth Plan, in accordance with Charity SORP and FRS 102, as set out in Note 23.

On the east side of the campus, the Quad Development featuring a new Study Centre, Library and Hall is now completed. On the west side of the campus, work is also completed on the Company's first co-ed Boarding House. As at 31 July 2020, the total investment in these two projects was £29million, as set out in Note 9. In order to fund these projects, £30million was raised by the Company through a bond issue in February 2018, as set out in Note 14.

Fund raising performance

The Company continues to raise funds from former pupils, parents and others primarily to support scholarships and bursaries, but also for other targeted projects. This activity is carried out by the Company's own staff in accordance with fund raising guidelines and is monitored by the Warden. The Company's staff are aware of their responsibilities to protect vulnerable people and members of the public from unreasonable intrusion, approaches or pressure. St Edward's School is registered with the fundraising regulator and subscribes to the Code of Fundraising Practice. The Company monitors developments in the sector and implemented GDPR as guided by the Independent Commissioner's Office. No complaints were received by the Company during the financial year about the fund raising activities.

In the financial year covered by this report £347,000 (2018/19: £90,000) was received in donations, legacies and interest income. Sadly this was mainly due to £277,000 in legacies from Old St Edwardians (2018/19: £9,000), as set out in Note 5. The cost of fund raising was £201,000 (2018/19: £64,000).

St Edward's School

GOVERNORS' REPORT

FINANCIAL REVIEW (continued)

Investment policy and performance

The Governors' investment objectives are to produce the best financial return within an acceptable level of risk. To meet these objectives, the majority of the Company's investment portfolio is managed by Quilter Cheviot on a "total return" basis, maintaining a balanced portfolio including equities, fixed interest and cash with a high/medium risk profile. The Governors do not allow investment in tobacco or small arms.

The Company's managed investments comprise part of the Company's funds held for the Charitable Fund and Advance Fees Fund. At the year-end, the Company's managed investments totalled £5,122,000 (2018/19: £5,031,000) as set out in Note 10.

Whilst the income on managed investments remained static, the overall total return for the managed investments over the year was negative 3% (2018/19: positive 7%). The Governors consider that this reflects the impact of market uncertainties, including the global COVID 19 pandemic, on businesses and stock markets.

Reserves policy and reserves level

The Governors review the Group's overall financial position, budgets and the spending against budget on a termly basis. The Governors believe there is no need at the present time to build up a large general reserve given: the strength of the Group's balance sheet; the stable cash flow from pupils on the roll; the on-going popularity of the School; and the available banking facilities.

The Group's total reserves of £69,987,000 at the year-end included: £342,000 endowment capital; £4,056,000 of restricted funds; and £65,589,000 of unrestricted funds.

Included in the Group's unrestricted funds are: the Revaluation fund of £29,249,000; £35,631,000 of designated funds; and the General reserves of £709,000.

As at 31 July 2020, the Company's Housing and Campus were revalued which resulted in valuations of £22,075,000 and £75,400,000 respectively. Whilst the valuations showed an overall increase from the previous valuations as at 31 July 2017, the School Campus revaluation did not fully reflect the current investment in the Quad and new Boarding House. This was mainly due to the School Campus being valued as one asset on an existing use basis. Overall, the current investment and the revaluation has resulted in a reduction in the Revaluation fund. The Governors remain of the view that the investment in the Quad and the new Boarding House was essential to the Company's future given that the School is growing and education is changing.

The Group's designated funds comprise: the capital fund of £33,680,000 which represents the net book value of buildings less associated internal funding arrangements; the Advance Fees Fund which totals £551,000; and other designated funds of £1,400,000. As at 31 July 2020, the capital fund included £5million (2018/19: £19million) of unspent cash received from the bond issue, less the long term liability of £30million to the bond provider. The unspent cash will be utilised during the next financial year.

Going concern

Governance requires that the Governors assess and report on the prospects of the Group and whether the organisation is a going concern. In considering this requirement, the Governors have taken into account: the Group's current cash position; existing banking facilities; and forecast cash flows based on various scenarios of further operational impacts from the global COVID 19 pandemic. Having due regard to these matters and having made appropriate enquiries, the Governors have a reasonable expectation that the Group has resources to remain in operation until at least twelve months after the approval of these financial statements. The Governors therefore continue to adopt the going concern basis in preparing the consolidated financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies on page 23.

St Edward's School

GOVERNORS' REPORT

PLANS FOR THE FUTURE

Construction of the new co-educational boarding house and the Quad development including the new academic centre, Sixth Form reading room, new library, dining facility and 1,000 seat hall were progressing well before the global COVID 19 pandemic led to the temporary shutdown of both sites. After the end of the financial year, both sites rapidly came to completion and became very significant and welcome additions to the Company's estate. The strategy of pursuing full co-education at the School was furthered towards the end of the financial year when a small project to adapt one of the boys boarding houses to take girls in the Sixth Form was completed. The School can now accommodate up to 770 pupils and has teaching and dining facilities for significantly more pupils as the School continues to grow.

Maintaining and, where necessary, developing the fabric and facilities of the School are central to the School's overall strategy, which is to continue to grow the school on the current model, with the introduction of further co-educational boarding houses and increasing the capacity of some of the smaller boarding houses to reach an equilibrium of pupil numbers in all houses. Environmental issues are also a high priority and the Governors aim to make all buildings more energy efficient. We have achieved all the targets to date of the Government's ESOS programme and are planning and setting aside suitable budgets to ensure we achieve future obligations.

The wellbeing of all pupils and employees is very important to us. We are planning to implement sustainable programmes to support this imperative. The Company withdrew from the Teachers' Pension Scheme with effect from 31 August 2020.

SECTION 172(1) STATEMENT

The Governors are mindful that under Section 172(1) of the Companies Act 2006 they must act in a way that is likely to promote the success of the Charity to achieve its charitable purposes. The Governors believe that this success is driven by the strategic priorities of the Company as set out on pages 8 and 9. By focusing on these strategic priorities, the Governors believe that the Company achieves a positive impact on pupils and other stakeholders of the Company, including parents, staff, suppliers, the local community and the wider educational community. The current global COVID 19 pandemic is an example of how matters that are of strategic significance have been dealt with by the Governors to ensure the continued ability of the Company to achieve its charitable purposes.

STREAMLINED ENERGY AND CARBON REPORTING

In accordance with the Government's policy on streamlined energy and carbon corporate reporting, the Company sets out below the annual energy consumption:

UK Greenhouse gas emissions and energy use data For the year ended 31 July 2020	
Energy consumption used to calculate emissions (kWh)	8,697,806
Scope 1 emissions in metric tonnes of CO2e <ul style="list-style-type: none">Gas consumptionOwned transport – mini-buses	1,399.85
Scope 2 emissions in metric tonnes of CO2e Purchased electricity	795.38
Scope 3 emissions in metric tonnes of CO2e Business travel in employee owned vehicles	0
Intensity Ratio Tonnes CO2e per pupil	3.16

As part of achieving Energy Savings Opportunity Scheme (ESOS) Phase 2 compliance, St Edward's School appointed a lead assessor to carry out the assessment following all Government Environmental Reporting Guidelines and conducting energy audits. The lead assessor stated that Energy Certificates (DECs) and Green Deal Assessments (GDAs) were not appropriate for the Company's operations and ISO 50001 was not attainable in the timeframe.

St Edward's School

GOVERNORS' REPORT

STREAMLINED ENERGY AND CARBON REPORTING (continued)

The intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Following the recommendations in the report, the Company has implemented a programme to: review all building fabric and implementation measures across the whole of the School's site; install insulating jackets on all valves and flanges; install a building management system to all heating systems; and replace high bay groundworks lighting with LED.

St Edward's School

GOVERNORS' REPORT

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The Governors (who are also Directors of the Company for the purposes of company law) are responsible for preparing the Annual Report and the financial statements with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the members of the Governing Body to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Governors, who are also Directors of the Company, is aware at the time of approving the Annual Report of the Governors:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the Company's auditor is unaware; and
- each Governor has taken all the steps that he or she should have taken as a Governor in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

This Annual Report was approved by the Governors of St Edward's School on 18 December 2020, including, in their capacity as Directors, approving the Directors' and Strategic Reports contained therein, and signed on their behalf by:



C I M Jones
Chair of Governors

St Edward's School

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST EDWARD'S SCHOOL

Opinion

We have audited the financial statements of St Edward's School (the "Company") for the year ended 31 July 2020 which comprise the Group Statement of Financial Activities, the Group and School Balance Sheets, the Group 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 Group and the Company's affairs as at 31 July 2020 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

St Edward's School

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST EDWARD'S SCHOOL

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 Annual Report of the Governors (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 Annual Report of the Governors (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' 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 trustees

As explained more fully in the Statement of Accounting and Reporting Responsibilities set out on page 17, the trustees 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 trustees are responsible for assessing the 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 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 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 Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Oxford

Dated: 18 December 2020

Colin Mills, Senior Statutory Auditor
for and on behalf of Critchleys Audit LLP, Statutory Auditor

St Edward's School

GROUP STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2020

	Unrestricted Funds	Restricted Funds	Endowment	Total	Total
	2020	2020	2020	2020	2019
Note	£'000	£'000	£'000	£'000	£'000
Income from:					
Charitable activities:					
School fees receivable	2 21,726	-	-	21,726	22,378
Ancillary trading income	3 683	-	-	683	665
The North Wall Trust	26 156	76	-	232	211
Other trading activities:					
Letting of School facilities		329	-	329	873
Other activities		228	-	228	51
Job Retention Scheme Grant:		1,152	-	1,152	-
Investments:					
Investment income	4 86	81	-	167	169
Bank interest		81	-	81	159
Voluntary sources:					
Donations and legacies	5 240	107	-	347	90
Total income:	24,681	264	-	24,945	24,596
Expenditure on:					
Charitable activities:					
Education of pupils		22,095	35	22,130	21,901
The North Wall Trust	26 443	-	-	443	478
Other trading activities:					
Letting of School facilities		40	-	40	502
Investments:					
Financing costs	6 413	-	-	413	556
Voluntary sources:					
Fund raising		201	-	201	77
Total expenditure:	23,192	35	-	23,227	23,514
Net income for the year before transfers and investment gains					
Losses on investments	18 1,489	229	-	1,718	1,082
Net income for the year	(143)	(140)	-	(283)	198
	1,346	89	-	1,435	1,280
Transfers between funds					
Losses on revaluation of property	18 17	(17)	-	-	-
Net movement in funds	(10,775)	-	-	(10,775)	-
	(9,412)	72	-	(9,340)	1,280
Fund balances at 1 August	18 75,001	3,984	342	79,327	78,047
Fund balances at 31 July	18 65,589	4,056	342	69,987	79,327

The Notes on pages 23 to 46 form part of these financial statements.

St Edward's School
BALANCE SHEET
AS AT 31 JULY 2020

	Group		School	
	2020	2019	2020	2019
Note	£'000	£'000	£'000	£'000
Fixed assets				
Tangible assets	9	97,931	91,941	91,941
Investments in securities	10	5,122	5,031	5,031
		<u>103,053</u>	<u>96,972</u>	<u>96,972</u>
Current assets				
Stocks	23	68	23	68
Debtors	11	495	1,212	1,202
Investments cash deposits	10	-	10,000	10,000
Cash in hand and at bank		8,991	14,302	14,295
		<u>9,509</u>	<u>25,582</u>	<u>25,565</u>
Current liabilities				
Creditors payable within one year	12	(4,721)	(5,406)	(4,833)
		<u>(5,406)</u>	<u>(4,833)</u>	<u>(5,436)</u>
Net current assets/(liabilities)		<u>4,788</u>	<u>20,176</u>	<u>4,560</u>
				<u>20,129</u>
Total assets less current liabilities		<u>107,841</u>	<u>117,148</u>	<u>107,613</u>
				<u>117,101</u>
Creditors: Amounts falling due after more than one year	13	(37,699)	(37,636)	(37,699)
				<u>(37,636)</u>
Provisions for liabilities and charges	16	(155)	(185)	(155)
				<u>(185)</u>
Net assets		<u>69,987</u>	<u>79,327</u>	<u>69,759</u>
				<u>79,280</u>
Represented by:				
Share capital	17	-	-	-
Endowed funds	18	342	342	342
Restricted funds	18	4,056	3,984	3,979
Revaluation reserve	18	29,249	40,186	29,249
Other unrestricted funds	18	36,340	34,815	36,189
		<u>69,987</u>	<u>79,327</u>	<u>69,759</u>
				<u>79,280</u>

The Notes on pages 23 to 46 form part of these financial statements.

These financial statements were approved and authorised for issue by the Governors on 18 December 2020 and signed on their behalf by:

C I M Jones, Chair of Governors



St Edward's School **STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 JULY 2020

	2020		2019	
	Note	£'000	£'000	£'000
Net cash flow from operating activities	20		3,648	3,000
Cash flows from investing activities				
Tangible assets - payments for assets		(18,300)	(10,535)	
Tangible assets - proceeds on sale of assets	5		22	
Investments – receipts(payments) of short-term deposits		10,000	(10,000)	
Investments - payments for investments		(1,248)	(381)	
Investments - proceeds of investment sales		881	574	
Investments - investment income		<u>167</u>	<u>169</u>	
Net cash provided by / (used in) investing activities		(8,495)		(20,151)
Cash flows from financing activities				
Advance Fees - new amounts received		1,924	2,405	
Advance Fees - used towards School's fees		(2,069)	(1,963)	
Advance Fees - amount of fees repaid		<u>(319)</u>	<u>(328)</u>	
Net cash provided by / (used in) financing activities		(464)		113
Increase / (decrease) in cash and cash equivalents in the year		<u>(5,311)</u>		<u>(17,039)</u>
Cash and cash equivalents at beginning of year			14,302	31,341
Cash and cash equivalents at end of year		<u><u>8,991</u></u>		<u><u>14,302</u></u>

The Notes on pages 23 to 46 form part of these financial statements.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Statement of accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS102); the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); and the Companies Act 2006.

The accounts have been prepared under the historic cost convention as modified by the revaluation of investments and freehold properties.

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

The Governors assess whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. In considering this requirement, the Governors have taken into account: the Group's current cash position; existing banking facilities; and forecast cash flows based on various scenarios of further operational impacts from the global COVID 19 pandemic. Having due regard to these matters and having made appropriate enquiries, the Governors have a reasonable expectation that the Group has resources to remain in operation until at least twelve months after the approval of these financial statements. The Governors therefore continue to adopt the going concern basis in preparing the consolidated financial statements.

1.3 Basis of consolidation

The group accounts consolidate the Company and its subsidiaries, The North Wall Trust and St Edward's School International Limited. No separate Statement of Financial Activities is present for the Company as the exemption under section 408 of the Companies Act 2006 has been taken. The net income for the year attributable to the Company is £1,260,000 (2018/19: £527,000).

1.4 Income

All income is recognised when the Company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Fees and similar earned income

Fees receivable and charges for services and use of premises are accounted for in the period for which fees are due or in which the service was provided. Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the School but include contributions received from other trusts. Fees for additional tuition have been shown separately; there is no impact on overall net income.

Investment income

Income from investments is included in the Group Statement of Financial Activities on an accruals basis except for dividend income which is on a receipts basis. Income from investment properties is accounted for in the period to which the rental income relates.

Grants and donations

Grants and donations received for general purposes are credited to 'other' unrestricted funds to distinguish them from direct School income. Grants and donations subject to specific wishes of donors are credited to relevant restricted funds. For legacies, entitlement is accounted for when a distribution is received from the estate.

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1 Statement of accounting policies (continued)

1.5 Expenditure

Expenditure is recognised as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or to the use made of the underlying assets, as appropriate. All resources expended are inclusive of any irrecoverable VAT.

Costs of generating funds

These are the costs incurred in generating voluntary income and in investment trading activities.

Charitable activities

These are the costs incurred on the Company's educational operations.

Governance costs

These include the costs attributable to the Company's compliance with constitutional and statutory requirements, including audit and Governors' meetings and reimbursed expenses.

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets.

Freehold land and buildings are carried in the balance sheet at a market-based fair value, which is reviewed on a regular basis. Expenditure on vehicles, furniture, machinery, IT equipment and infrastructure and other equipment is carried in the balance sheet at historical cost. Assets in the course of construction are included at cost. Interest on finance raised to fund new tangible assets is capitalised whilst the relevant asset is under construction. The interest capitalised is net of any interest receivable on the unspent cash balances. Periodically, the School carries out major refurbishments of boarding houses and classrooms. This expenditure extends the useful economic life of the buildings and is therefore capitalised and depreciated over 20 years. Other expenditure on equipment, which is incurred in the normal day-to-day operation of the School, is charged to the Statement of Financial Activities.

Depreciation is provided on tangible fixed assets and is calculated to write off the cost, less estimated residual value based on current market prices, on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 to 100 years
Refurbishments and sports pitches	5 to 20 years
Staff housing	Nil, as have residential property value
Equipment, fixtures and fittings	3 to 10 years
Motor vehicles	5 years
Assets in the course of construction	Not depreciated, as not yet brought into use

The depreciation charge on Staff Housing is nil as the Governors are of the opinion that the residual value at the end of their useful economic life to the Company will be at least the balance sheet value.

1.7 Investments

Investments are included at market value at the balances sheet date. All realised and unrealised investment gains and losses are included in the Group Statement of Financial Activities. Investments are classified as fixed asset investments as the Governors believe that this is a fair reflection of the nature of those assets. Cash deposits with a maturity of more than three months are classified as current asset investments.

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

1 Statement of accounting policies (continued)

1.8 Stocks

Stocks, which represent goods for resale and catering stocks, have been valued at the lower of cost or net realisable value.

1.9 Advance Fees Fund

The Company may receive up to the equivalent of five year's fees in advance from Parents. Any such amounts received under the Advance Fees Scheme are carried forward as liabilities. Discount is given on the prepaid balances at a rate which is fixed when the advance fee is received. Fee income is credited with the equivalent of fees paid in advance in the period when they become recognisable. The discount given by the Company is treated as a cost in the Advance Fees fund.

1.10 Loans

The terms of the loans are such that they are basic financial instruments under FRS102 and they are therefore recorded at amortised cost. Issue costs are amortised over the life of the loan and have been deducted from the loan liability in the balance sheet.

1.11 Leased assets

Equipment acquired under finance leases and hire purchase agreements which transfer to the lessee substantially all benefits and risks of ownership, and the capital element of the related rental obligations, are included in the balance sheet. The interest element of rental obligations is charged against revenue in proportion to the reducing capital element outstanding.

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the revenue account on a straight line basis.

1.12 Pension costs

Retirement benefits to employees of the Company are provided through five pension schemes: one defined benefit; three defined contribution; and one hybrid scheme. The pension costs charged in the Statement of Financial Activities are determined as follows:

Teachers' Pensions Scheme

This scheme is a multi-employer pension scheme. It is not possible to identify the Company's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, the Company accounts for the scheme as if it were a defined contribution scheme. The Company's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries are payable.

The Pensions Trust Growth Plan

The Company participates in The Pensions Trust Growth Plan, which is a hybrid scheme with some elements of both defined benefit and defined contribution. It is not possible to identify the Company's share of the underlying assets and liabilities of these plans on a consistent and reasonable basis and therefore, as required by FRS102, the Company accounts for this scheme as if it were a defined contribution scheme. Where a scheme is in deficit and the Company has agreed to a deficit funding arrangement, the Company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement. The unwinding of the discount rate is recognised as a finance cost.

Scottish Widows Group Pension Plan, Pensions Trust Flexible Retirement Plan, The Pensions Trust Flexible Retirement Plan and The Pensions Trust Ethical Retirement Plan

All of these schemes are defined contribution schemes. The Company's pension costs are charged in the period in which the salaries to which they relate are payable.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Statement of accounting policies (continued)

1.13 Fund accounting

Endowed funds represent those assets which must be held permanently by the Company, principally investments. Any capital gains or losses arising on the investments form part of the fund.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The purpose of each restricted fund is set out in the notes to the accounts.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The purpose of each designated fund is set out in the notes to the accounts.

Investment income and gains are allocated to the appropriate fund.

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

2. Charitable activities – School fees receivable

	2020	2019
	£'000	£'000
Gross school fees receivable	24,552	25,255
Less: Scholarships and bursaries	(2,926)	(2,977)
Add: Scholarships and bursaries paid from Restricted or Other Funds	100	100
	<u>21,726</u>	<u>22,378</u>

In addition, outside trusts contributed £3,250 (2018/19: £3,000) towards School fees.

3. Charitable activities – Ancillary charitable activities

	2020	2019
	£'000	£'000
Additional tuition and other fees	423	482
Entrance fees and registration fees	260	182
Sales from the School shop	-	1
	<u>683</u>	<u>665</u>

4. Investment income

	2020	2019
	£'000	£'000
Income from securities - equities	104	133
Income from securities - fixed interest	63	15
Income from properties	-	21
	<u>167</u>	<u>169</u>

5. Donations and legacies

	2020	2019
	£'000	£'000
Donations	70	81
Legacies	277	9
	<u>347</u>	<u>90</u>

6. Financing costs

	2020	2019
	£'000	£'000
Pension scheme financing costs (Note 23)	2	10
Financing costs accrued to Advance Fee contracts (Note 15)	39	40
Interest payable on bank loans and overdraft	258	209
Interest payable on bond	114	297
	<u>413</u>	<u>556</u>

In addition, interest payable on the bond of £936,000 (2019: £753,000) was capitalised in fixed assets.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

7. Analysis of expenditure

	Staff Costs	Depreciation	Other Operating Costs	Total 2020	Total 2019
Year ended 31 July 2020	£'000	£'000	£'000	£'000	£'000
Charitable activities:					
Teaching	9,386	196	841	10,423	10,187
Welfare	3,231	-	1,115	4,346	4,788
Premises	745	1,339	2,674	4,758	4,116
Support and governance	1,666	-	936	2,602	2,806
Awards and prizes	-	-	1	1	4
North Wall Trust	234	-	209	443	478
Raising funds:					
Letting of School facilities	30	-	10	40	502
Financing costs (Note 6)	-	-	413	413	556
Investment management fees	-	-	21	21	13
Fund raising	141	-	39	180	64
	<u>15,433</u>	<u>1,535</u>	<u>6,259</u>	<u>23,227</u>	<u>23,514</u>

	Staff Costs	Depreciation	Other Operating Costs	Total 2019
Year ended 31 July 2019	£'000	£'000	£'000	£'000
Charitable activities:				
Teaching	8,402	204	1,581	10,187
Welfare	2,901	-	1,887	4,788
Premises	707	1,262	2,147	4,116
Support and governance	1,579	-	1,227	2,806
Awards and prizes	-	-	4	4
North Wall Trust	204	-	274	478
Raising funds:				
Letting of School facilities	290	-	212	502
Financing costs	-	-	556	556
Investment management fees	-	-	13	13
Fund raising	53	-	11	64
	<u>14,136</u>	<u>1,466</u>	<u>7,912</u>	<u>23,514</u>

Included in support costs are:

Awards and prizes		
From restricted funds	1	1
From unrestricted funds	-	3
	<u>1</u>	<u>4</u>

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

7. Analysis of expenditure (continued)

	2020 £'000	2019 £'000
Included in support costs are:		
Operating leases	39	39
Reimbursement of personal expenses to Governors (2019: None)	-	-
Remuneration paid to Auditor for audit of accounts	20	19
Remuneration paid to Auditor for taxation compliance services	4	6
Remuneration paid to Auditor for other non-audit services	-	1

8. Staff costs

The aggregate gross costs of staff were as follows:

Wages and salaries	12,595	11,872
Social security costs	1,195	1,105
Other pension costs	1,643	1,159
	<u>15,433</u>	<u>14,136</u>

The aggregate employee benefits of key management personnel was:

	<u>366</u>	<u>369</u>
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The average monthly number of employees during the year was:

Teaching	184	184
Domestic	168	174
Administration	107	101
	<u>459</u>	<u>459</u>

The number of employees whose total benefits (excluding employer pension contributions and social security) were over £60,000 was:

£60,001 - £70,000	21	18
£70,001 - £80,000	6	2
£80,001 - £90,000	0	1
£90,001 - £100,000	1	0
£150,001 - £160,000	0	1
£170,001 - £180,000	1	1

None of the Governors received any remuneration from the School or from any connected body. The Governors and spouses have the option of free membership of the Nuffield Sports Centre situated on the Company's site and of the Company's golf course.

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

9. Tangible fixed assets	Staff Housing £'000	School Campus £'000	Vehicles and Equipment £'000	Total £'000
Cost or valuation				
As at 1 August 2019	22,305	71,649	5,610	99,564
Additions	-	17,907	393	18,300
Disposals	-	-	-	-
Revaluation as at 31 July	(230)	(14,156)	-	(14,386)
As at 31 July 2020	<u>22,075</u>	<u>75,400</u>	<u>6,003</u>	<u>103,478</u>
Depreciation				
As at 1 August 2019	-	2,355	5,268	7,623
Charge for the year	-	1,256	279	1,535
Eliminated on disposals	-	-	-	-
Eliminated on revaluation	-	(3,611)	-	(3,611)
As at 31 July 2020	<u>-</u>	<u>-</u>	<u>5,547</u>	<u>5,547</u>
Net book value				
As at 31 July 2019	<u>22,305</u>	<u>69,294</u>	<u>342</u>	<u>91,941</u>
As at 31 July 2020	<u>22,075</u>	<u>75,400</u>	<u>456</u>	<u>97,931</u>

Freehold land and buildings, comprising the Staff Housing and the School Campus, were revalued as at 31 July 2020 at £22,075,000 and £75,400,000 respectively. The valuations were carried out by Savills plc, RICS Registered Valuers. The valuations are made on the basis of Fair Market Value with the benefit of full vacant possession, adopting the RICS definition of Fair Market Value. Whilst the valuations showed an overall increase from the previous valuations as at 31 July 2017, the School Campus revaluation did not fully reflect the current investment in the Quad and new Boarding House. This was mainly due to the School Campus being valued as one asset on an existing use basis.

If the freehold land and buildings had been carried under the cost model, the balance sheet net book value would have been as follows:

	2020 £'000	2019 £'000
Freehold land and buildings		
Staff Housing	3,021	3,021
School Campus	65,203	48,390
At cost from 1890 to 31 July 2020	<u>68,224</u>	<u>51,411</u>

	2020 £'000	2019 £'000
Capital commitments outstanding	<u>4,000</u>	<u>20,000</u>

In September 2018, the Company entered into a contract for the construction of the Quad Building valued at £22.1million. In February 2019, the Company entered into a contract for the construction of Cooper Lodge, a new boarding house, valued at £6.3 million. As at 31 July 2020, the total investment in these two projects was £29million.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

10. Investments

	Group and School			
	Unrestricted investments		Restricted	Total
	Advance	Other	Inv'ments	Inv'ments
	Fees			
	£'000	£'000	£'000	£'000
Investments in securities:				
As at 1 August 2019	1,244	473	1,717	3,314
Additions	352	112	464	784
Disposals at opening market value	(211)	(84)	(295)	(586)
Revaluation as at 31 July	(105)	(21)	(126)	(150)
As at 31 July 2020	1,280	480	1,760	3,362
				5,122

Analysis of investments:

Fixed interest securities

£'000
565

4,557

Equities

5,122

In addition to the above investments, cash balances totalling £171,000 (2019: £436,000) were held in the investment portfolio but are disclosed within the Group's current assets as cash deposits. All investments are managed and held in the UK.

Investments in short – term cash deposits:

As at 1 August 2019

10,000

Cash withdrawn

(10,000)

As at 31 July 2020

-

11. Debtors

	Group		School	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Fees outstanding	161	337	161	337
Trade debtors	126	644	126	644
Staff loans	27	22	27	22
Other debtors	35	45	35	35
Prepayments and accrued income	146	164	137	164
	495	1,212	486	1,202

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

12. Creditors: amounts falling due within one year

	Group		School	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Bank loans (Note 14)	-	-	-	-
Trade creditors	259	548	259	548
Taxation and social security	334	307	334	307
Other creditors and accruals	2,252	2,400	2,236	2,380
Short term compensated balances	140	140	140	140
Amount due to subsidiary	-	-	128	50

Deferred income:

Fees held in Advance Fees Fund (Note 15)	1,108	1,388	1,108	1,388
Fees received in advance of term	553	514	553	514
Registration deposits held	64	70	64	70
Other income	11	39	11	39
	<u>4,721</u>	<u>5,406</u>	<u>4,833</u>	<u>5,436</u>

13. Creditors: amounts falling due after more than one year

	Group and School	
	2020	2019
	£'000	£'000
Bank loans (Note 14)	6,650	6,650
Bond less unamortised financing costs (Note 14)	29,790	29,782
Deferred income:		
Fees held in Advance Fees Fund (Note 15)	708	852
Registration deposits held	551	352
	<u>37,699</u>	<u>37,636</u>

14. Analysis of loans

	Group and School	
	2020	2019
	£'000	£'000
Loans:		
Due within one year	-	-
Due between one and two years	-	6,650
Due between two and five years	-	-
Due in more than five years	36,440	29,782
	<u>36,440</u>	<u>36,432</u>

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

14. Analysis of loans (continued)

A bank loan of £3,500,000 with a fixed interest rate of 2.57% and a term of two years to August 2020 was due for repayment in August 2020. This was replaced by a bank loan of £3,850,000 with a fixed interest rate of 2.11% and a term of five years to 2025.

A bank loan of £3,150,000 with a fixed interest rate of 2.57% and a term of two years to August 2020 was due for repayment in August 2020. This was replaced by a bank loan of £3,150,000 with a fixed interest rate of 2.11% and a term of five years to 2025. These bank loans are secured by legal charges over various freehold properties that the Company owns. Although the agreements for the two year bank loans had not been signed by 31 July 2020, negotiations were well advanced at the year-end and the agreements were signed shortly after the year-end. The Governors have therefore decided to present the loans as falling due after more than one year as this is considered to show a fairer presentation of the Company's financing situation.

In February 2018, the Company raised £30,000,000 in a bond issue with a fixed interest rate of 3.5%, repayable in full in 30 years. The bond is unsecured.

15. Advance Fees Fund

	Group and School	
	2020	2019
	£'000	£'000
As at 1 August	2,241	2,088
New contracts with Parents	1,924	2,405
Finance costs accrued to contracts	39	40
	4,204	4,533
Amounts used towards School's fees	(2,069)	(1,964)
Capital repaid or paid to other schools	(319)	(328)
As at 31 July	1,816	2,241

The balance on the Advance Fees Fund can be analysed as follows:

	Group and School	
	2020	2019
	£'000	£'000
Deferred income - Fees held in Advance Fee Fund:		
Due within one year	1,108	1,388
Due between one and two years	558	728
Due between two and five years	150	125
	1,816	2,241

16. Provisions for liabilities and charges

	Group and School	
	2020	2019
	£'000	£'000
Defined benefit pension scheme liability (Note 23)	155	185

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

17. Share capital

	2020	2019
	£'000	£'000

Allotted and called up – 21 shares of 50p each (£nil paid)	-	-
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As the Company is limited by guarantee, the shares have no right to dividends or to the surplus on winding up.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

18. Funds

	Note	Movement on Funds for year ended 31 July 2020					As at 31 July £'000
		As at 1 August £'000	Income £'000	Expend iture £'000	Gains /losses £'000	Transfers £'000	
Endowed Funds	(a)	342	-	-	-	-	342
Restricted Funds							
Foundation Fund	(b)	67	107	(35)	-	(14)	125
Endowment Fund	(c)	1,313	27	-	(47)	-	1,293
Scholarship Fund	(c)	2,604	54	-	(93)	(4)	2,561
The North Wall Trust		-	76	-	-	1	77
Total Restricted Funds		3,984	264	(35)	(140)	(17)	4,056
Unrestricted Funds							
Revaluation Reserve	(d)	40,186	-	-	(10,775)	(162)	29,249
Other unrestricted funds							
<i>General reserves</i>		366	24,093	(22,652)	-	(1,243)	564
<i>The North Wall Trust</i>		47	157	(443)	-	284	45
<i>St Edward's Int'l Ltd</i>		-	106	(6)	-	-	100
Other designated funds							
<i>Advance Fees Fund</i>	(e)	633	58	(44)	(96)	-	551
<i>Capital Fund</i>	(f)	32,437	-	-	-	1,243	33,680
<i>Foundation Fund</i>	(b)	25	240	(1)	-	(250)	14
<i>Scholarship Fund</i>	(c)	1,307	27	(46)	(47)	145	1,386
		34,815	24,681	(23,192)	(143)	179	36,340
Total Unrestricted Funds		75,001	24,681	(23,192)	(10,918)	17	65,589
Total Funds		79,327	24,945	(23,227)	(11,058)	-	69,987

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

18. Funds (continued)

Fund balances as at 31 July 2020 were represented by:

	Fixed Assets £'000	Investments £'000	Net current assets £'000	Long term (liabilities) £'000	Interfund Loans £'000	Total Assets £'000
Endowed Funds	-	235	114	-	(7)	342
Restricted Funds						
Foundation Fund	-	-	164	-	(39)	125
Endowment Fund	-	890	428	-	(25)	1,293
Scholarship Fund	-	1,763	848	-	(50)	2,561
The North Wall Trust	-	-	-	-	77	77
Total Restricted Funds	-	2,653	1,440	-	(37)	4,056
Unrestricted Funds						
Revaluation Reserve	29,249	-	-	-	-	29,249
Other unrestricted funds						
<i>General reserves</i>	456	-	801	(706)	13	564
<i>The North Wall Trust</i>	-	-	(6)	-	51	45
<i>St Edward's Int'l Ltd</i>	-	-	106	-	(6)	100
Other designated funds						
<i>Advance Fees Fund</i>	-	1,280	(20)	(708)	(1)	551
<i>Capital Fund</i>	68,226	-	1,894	(36,440)	-	33,680
<i>Foundation Fund</i>	-	-	-	-	14	14
<i>Scholarship Fund</i>	-	954	459	-	(27)	1,386
	67,746	2,234	3,234	(37,854)	44	36,340
Total Unrestricted Funds	97,931	2,234	3,234	(37,854)	44	65,589
Total Funds	97,931	5,122	4,788	(37,854)	-	69,987

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

18. Funds (continued)

The balances on the funds can be used as follows:

- a) The balance of the Endowed Funds is comprised wholly of the Rotherfield Scholarship Fund.
- b) Foundation Fund represents donations to the Company for the provision of equipment or scholarships and bursaries for pupils. During the financial year ended 31 July 2020, transfers were made from the Foundation Fund of donations that were specifically raised for scholarships and bursaries into the relevant Scholarship fund.
- c) The Charity Commission approved that the capital elements of the Endowment Fund and Scholarship Fund can be used as if they were income.
- d) The Revaluation Reserve represents the increase or decrease in the market-based fair value of freehold land and buildings over cost.
- e) The Advance Fees Fund represents the amount set aside to cover any future shortfall on the Advance Fees Scheme.
- f) The Capital Fund represents the net book value of the Company's land and buildings less any amounts financed by external loans, overdrafts and inter fund loans.

The Endowed Funds and the Foundation, Endowment, Scholarship and Advance Fees funds each have cash balances held by the Company as part of their assets. The Company has a consolidated arrangement with its bankers for calculating bank interest on these cash balances and the general banking account of the Company. Interest is paid by the Company to all funds at a rate of 1.5% per annum.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

19. Comparative funds

	Note	Movement on Funds for year ended 31 July 2019					As at 31 July £'000
		As at 1 August £'000	Income £'000	Expend iture £'000	Gains /losses £'000	Transfers £'000	
Endowed Funds	(a)	<u>342</u>	-	-	-	-	<u>342</u>
Restricted Funds							
Foundation Fund	(b)	470	27	(39)	-	(391)	67
Endowment Fund	(c)	1,277	34	(6)	39	(31)	1,313
Scholarship Fund	(c)	2,190	58	(10)	68	298	2,604
The North Wall Trust		-	-	-	-	-	-
Total Restricted Funds		<u>3,937</u>	<u>119</u>	<u>(55)</u>	<u>107</u>	<u>(124)</u>	<u>3,984</u>
Unrestricted Funds							
Revaluation Reserve	(d)	40,489	-	-	-	(303)	40,186
Other unrestricted funds							
General reserves		597	24,146	(22,934)	-	(1,443)	366
The North Wall Trust		47	211	(478)	-	267	47
Other designated funds							
Advance Fees Fund	(e)	569	38	(44)	70	-	633
Capital Fund	(f)	30,817	-	-	-	1,620	32,437
Foundation Fund	(b)	563	63	-	-	(601)	25
Scholarship Fund	(c)	686	19	(3)	21	584	1,307
		33,279	24,477	(23,459)	91	427	34,815
Total Unrestricted Funds		<u>73,768</u>	<u>24,477</u>	<u>(23,459)</u>	<u>91</u>	<u>124</u>	<u>75,001</u>
Total Funds		<u>78,047</u>	<u>24,596</u>	<u>(23,514)</u>	<u>198</u>	<u>-</u>	<u>79,327</u>

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

19. Comparative funds (continued)

Fund balances as at 31 July 2019 were represented by:

	Fixed Assets £'000	Investments £'000	Net current assets £'000	Long term (liabilities) £'000	Interfund Loans £'000	Total Assets £'000
Endowed Funds	-	233	109	-	-	342
Restricted Funds						
Foundation Fund	-	-	67	-	-	67
Endowment Fund	-	894	419	-	-	1,313
Scholarship Fund	-	1,772	832	-	-	2,604
The North Wall Trust	-	-	-	-	-	-
Total Restricted Funds	-	2,666	1,318	-	-	3,984
Unrestricted Funds						
Revaluation Reserve	40,186	-	-	-	-	40,186
Other unrestricted funds						
<i>General reserves</i>	342	-	561	(537)	-	366
<i>The North Wall Trust</i>	-	-	47	-	-	47
Other designated funds						
<i>Advance Fees Fund</i>	-	1,243	242	(852)	-	633
<i>Capital Fund</i>	51,413	-	17,456	(36,432)	-	32,437
<i>Foundation Fund</i>	-	-	25	-	-	25
<i>Scholarship Fund</i>	-	889	418	-	-	1,307
	51,755	2,132	18,749	(37,821)	-	34,815
Total Unrestricted Funds	91,941	2,132	18,749	(37,821)		75,001
Total Funds	91,941	5,031	20,176	(37,821)	-	79,327

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

20. Reconciliation of net income to net cash flow from operating activities

	2020		2019	
	£'000	£'000	£'000	£'000
Net income for the year (as per the Statement of Financial Activities)		1,435		1,280
Elimination of non-operating items:				
Investment income	(167)		(169)	
(Gains)/losses on investments	276		(204)	
Finance cost accrued to Advance Fees	39		40	
Amortisation of bond costs	8		9	
Depreciation	1,535		1,466	
(Profit) on sale of fixed assets	(5)		(22)	
Decrease/(increase) in stocks	45		5	
Decrease/(increase) in debtors	717		(613)	
Increase/(decrease) in creditors and provisions	(428)		1,212	
Increase/(decrease) in Registration deposits	193		(4)	
		2,213		1,720
Net cash flow from operating activities		<u>3,648</u>		<u>3,000</u>

21. Analysis of changes in net debt

	Note	As at 1 August 2019	Noncash Change	Cash Flows	As at 31 July 2020
		£'000	£'000	£'000	£'000
Cash		14,302	-	(5,311)	8,991
Cash equivalents	10	10,000	-	(10,000)	-
Loans falling due after more than one year	14	(36,432)	(8)	-	(36,440)
		<u>(12,130)</u>	<u>(8)</u>	<u>(15,311)</u>	<u>(27,449)</u>

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

22. Financial commitments

Future minimum lease payments under non-cancellable operating leases in existence as at 31 July 2020 for each of the following periods were:

	Group and School	
	2020	2019
	£'000	£'000
Not later than one year	42	47
Later than one year but not later than five years	34	108
	<u>76</u>	<u>155</u>

23. Pension obligations

The majority of the staff participate in one of three pension schemes; the Teachers' Superannuation Scheme run by the Teachers' Pension Agency especially for teaching staff; The Pensions Trust (The Pensions Trust Growth Plan, Flexible Retirement Plan and Ethical Retirement Plan) specifically for staff of charitable and voluntary organisations; and the Scottish Widows Group Personal Pension Plan.

Teachers' Pension Scheme

The Company 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 £1,326,000 (2019: £880,000) and at the year-end £156,000 (2019: £122,000) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 by public funds provided by Parliament.

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report was published in September 2018. As a consequence of the valuation, the employer contribution rate for the TPS was increased from 16.4% to 23.4% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.48%.

The Company gave notice to the TPS that, following a consultation period with the affected teaching staff, it intended to leave the TPS with effect from 31 August 2020. The Company arranged alternative pension arrangements for its teaching staff with effect from that date with AVIVA in the AVIVA Pension Trust for Independent Schools ("APTIS").

The Pensions Trust Growth Plan

The Company participates in the Pensions Trust Growth Plan, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, the Company accounts for the scheme as a defined contribution scheme. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classed as a 'last-man standing arrangement'. Therefore the Company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

23. Pension obligations (continued)

The Pensions Trust Growth Plan (continued)

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £131m. To eliminate this funding shortfall, the trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 January 2025	£11,243,000 per annum (payable monthly and increasing by 3% each on 1 April)
--------------------------------------	---

Unless a concession has been agreed with the trustee, the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the trustee asked each of the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2016 to 30 September 2025	£12,945,440 per annum (payable monthly and increasing by 3% each on 1 April)
From 1 April 2016 to 30 September 2028	£54,560 per annum (payable monthly and increasing by 3% each on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where a pension scheme is in deficit and where the Company has agreed to a deficit funding arrangement, the Company must recognise a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit.

The net present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The following schedule sets out the deficit contributions agreed between the Company and the scheme at each year end period:

	2020	2019
	£'000	£'000
Year ending:		
Year 1	33	32
Year 2	34	33
Year 3	35	34
Year 4	36	35
Year 5	19	36
Year 6	-	19
Net present value of provision	155	185

The net present value calculation to determine the value of the provision has been made on the basis of discount factors of 0.6% as at 31 July 2020, 1.0% as at 31 July 2019 and 1.72% as at 31 July 2018. The discount rates are the equivalent single discount rates which, when used to discount the future recovery plan, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

23. Pension obligations (continued)

The Pensions Trust Growth Plan (continued)

The movement on the defined benefit pension scheme liability during the year was as follows:

	Group and School	
	2020	2019
	£'000	£'000
As at 1 August		
Unwinding of discount factor	185	364
Deficit contributions paid	1	5
Re-measurements – impact of any change in the assumptions	(32)	(43)
Re-measurements – amendments to the contributions schedule	1	4
As at 31 July	<u>-</u>	<u>(145)</u>
	<u>155</u>	<u>185</u>

The impact of income and expenditure during the year was as follows:

	Group and School	
	2020	2019
	£'000	£'000
Interest expense	1	5
Remeasurements – impact of any change in the assumptions	1	4
Remeasurements – amendments to the contributions schedule	-	(145)
	<u>2</u>	<u>(136)</u>

The Pensions Trust Growth Retirement Plan is an additional contributory scheme offered to non-teaching staff. The Company paid contributions at the rate of 6% during the accounting period. Members paid contributions at the rate of 5%. As at the balance sheet date there were nine active members of the plan employed by the Company. The pension cost to the Company was £10,000 (2018/19: £9,000). As at the year-end £2,000 (2018/19: £1,000) was accrued in respect of contributions to this scheme.

The Pensions Trust Flexible Retirement Plan

The Pensions Trust Flexible Retirement Plan is an additional contributory scheme offered to non-teaching staff. The Company paid contributions at the rate of 6% during the accounting period. Members paid contributions at the rate of 5%. As at the balance sheet date there were eight active members of the plan employed by the Company. The pension cost to the Company was £8,000 (2018/19: £8,000). As at the year-end £1,000 (2018/19: £1,000) was accrued in respect of contributions to this scheme.

The Pensions Trust Ethical Retirement Plan

The Pensions Trust Ethical Retirement Plan is an additional contributory scheme offered to non-teaching staff. The Company paid contributions at the rate of 6% during the accounting period. Members paid contributions at the rate of 5%. As at the balance sheet date there were two active members of the plan employed by the Company. The pension cost to the Company was £6,000 (2018/19: £5,000). As at the year-end £1,000 (2018/19: £766) was accrued in respect of contributions to this scheme.

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

23. Pension obligations (continued)

The Scottish Widows Group Personal Pension Plan

The Scottish Widows Group Personal Pension Plan is a contributory scheme offered to non-teaching staff which is used as the Company's scheme for auto-enrolment. The Company paid contributions at the rate of 6% during the year. Members paid contributions at the rate of 5%. As at the balance sheet date there were 270 active members of the plan employed by the Company. The pension cost to the Company was £280,000 (2018/19: £252,000). As at the year-end £43,000 (2018/19: £38,000) was accrued in respect of contributions to this scheme.

24. Related party transactions

The Governors believe that there were no related party transactions with during the year ended 31 July 2020 (2019: nil).

25. St Edward's School International Limited

In August 2018, St Edward's School established a wholly owned subsidiary, St Edward's School International Limited (Company number 10919599) to monitor and implement its strategy to promote education and develop schools and colleges in other countries.

The St Edward's School International Limited statement of financial activities for the year ended 31 July 2020 and balance sheet as at 31 July 2020, extracted from the audited financial statements, are summarised below:

	Unrestricted Funds	Restricted Funds	Total
Income:	2020	2020	2020
Expenditure:	£'000	£'000	£'000
	106	-	106
	(6)	-	(6)
Net income for the year	100	-	100
Fund balances at 31 July 2019	100	-	100
	-	-	-
Fund balances at 31 July 2020	100	-	100

	2020
	£'000
Current assets	106
Current liabilities	(6)
Net assets	100
Represented by:	
Unrestricted reserves	100
Reserves	100

St Edward's School

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

26. The North Wall Trust

On 15 February 2012, The North Wall Trust was incorporated as a company limited by guarantee (registered with company number 07951538) and on 11 April 2012 was registered as a charity (registered charity number 1146851). The North Wall Trust is a subsidiary of the Company as the Company is the sole member of The North Wall Trust. The subsidiary is exempt from the requirements of section 479A of the Companies Act 2006 relating to the audit of accounts. The North Wall Trust commenced activity in April 2012.

The Company provides a grant to The North Wall Trust as necessary in order to support its operations.

The North Wall Trust's statement of financial activities for the year ended 31 July 2020 and balance sheet as at 31 July 2020, extracted from the independently examined accounts, are summarised below:

	Unrestricted Funds	Restricted Funds	Total
	2020	2020	2020
	£'000	£'000	£'000
Income:			
Donations	286	76	362
Income from charitable activities	156	-	156
	442	76	518
Expenditure:			
Costs of generating funds	-	-	-
Expenditure on charitable activities	443	-	443
	443	-	443
Net income for the year before transfers	(1)	76	75
Gross transfers between funds	(1)	1	-
Net income for the year after transfers	(2)	77	75
Fund balances at 31 July 2019	47	-	47
Fund balances at 31 July 2020	45	77	122
			2020
Current assets			£'000
Current liabilities			138
Net assets			(16)
Represented by:			122
Unrestricted reserves			45
Restricted reserves			77
Reserves			122

St Edward's School
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020

27. Comparative Group statement of financial activities

	Unrestricted Funds	Restricted Funds	Endowment	Total
	2019 £'000	2019 £'000	2019 £'000	2019 £'000
Income from:	Note			
Charitable activities:				
School fees receivable	2	22,378	-	22,378
Ancillary trading income	3	665	-	665
The North Wall Trust		211	-	211
Other trading activities:				
Letting of School facilities		873	-	873
Other activities		51	-	51
Investments:				
Investment income	4	77	92	169
Bank interest		159	-	159
Voluntary sources:				
Donations and legacies	5	63	27	90
Total income:		24,477	119	24,596
Expenditure on:				
Charitable activities:				
Education of pupils		21,846	55	21,901
The North Wall Trust		478	-	478
Other trading activities:				
Letting of School facilities		502	-	502
Investments:				
Financing costs	6	556	-	556
Voluntary sources:				
Fund raising		77	-	77
Total expenditure:	7	23,459	55	23,514
Net income for the year before transfers and investment gains		1,018	64	1,082
Gains on investments	18	91	107	198
Net income for the year		1,109	171	1,280
Transfers between funds	18	124	(124)	-
Gains on revaluation of property		-	-	-
Net movement in funds		1,233	47	1,280
Fund balances at 1 August	18	73,768	3,937	78,047
Fund balances at 31 July	18	75,001	3,984	79,327