

GLENDOWER SCHOOL TRUST LIMITED
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

Registered Company No: 960831
Registered Charity No: 312717

GLENDOWER SCHOOL TRUST LIMITED

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GLENDOWER SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2022

Governors

R K Harrison (Chair)
G Apkarian
J Aviss (appointed 17 June 2022)
N Baker
E Bassett (appointed 30 November 2021)
Rev P Cowley (resigned 30 June 2022)
B Daffey
E Hewer
S Kumleben
S J S Martyrossian
P Mattar
F Morton
D Nangia (resigned 30 June 2022)
J Richards
J Sloan
P Vanni (appointed 30 November 2021)

Headmistress

N Kingsmill Moore

Charity Number

312717

Company Number

960831

Principal address and registered office

87 Queen's Gate
London
SW7 5JX

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

Metro Bank plc
One Southampton Row
London WC1B 5HA

National Westminster Bank plc
South Kensington Station (A) Branch
PO Box 592
18 Cromwell Place
London SW7 2LB

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Governors present their report and accounts for the year ended 31 August 2022. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019) (Second Edition, effective 1 January 2019) applicable law and the Trust's Memorandum and Articles of Association.

REFERENCE AND ADMINISTRATIVE INFORMATION

Glendower School Trust Limited was founded by Trust Deed in 1969 which was amended in 1977.

The charity is a company limited by guarantee. The Governors, who are also the directors for the purpose of company law and the charity's trustees, who served during the period and up to the date of the signing of this report were:

R K Harrison (Chair)*
G Apkarian*
J Aviss (appointed 17 June 2022)
N Baker
E Bassett (appointed 30 November 2021)*
Rev P Cowley (resigned 30 June 2022)
B Daffey
E Hewer
S Kumleben
S J S Martyrossian*
P Mattar
F Morton
D Nangia (resigned 30 June 2022)
J Richards
J Sloan*
P Vanni (appointed 30 November 2021)

*Members of the Finance Committee

None of the Governors has any beneficial interest in the company. All of the Governors are members of the company and guarantee to contribute £1 in the event of a winding up.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Company is governed by its Memorandum and Articles of Association, last amended on 22 November 2005.

Governing Body

The Governors, who are also required under the Articles to serve as members of the company, are elected at a full Governors' meeting. They are chosen to represent a suitable cross section of expertise and at least one Governor is a parent of a pupil (or former pupil) at the school.

Governor Training

New Governors are inducted into the workings of the school by the Head and Bursar and provided with an introductory pack of school information. Regular training workshops are organised and Governors are kept informed of other relevant training days run by outside organisations.

Organisational Management

The Governors meet as a Board at least three times a year to determine general policy. The Governors have set up five sub-committees which meet as needed but at least once a year: an Education sub-committee, chaired by Mr P Vanni which considers and advises on all aspects of the school's curriculum; a Finance sub-committee, chaired by Mr G Apkarian, which normally meets two weeks before each Board meeting, to discuss matters arising and to review budgets and termly management accounts; a Risk Management sub-committee chaired by Mrs S Martyrossian which considers the risks to which the school is exposed and the measures in place to mitigate them; a Health and Safety Committee chaired by Mrs S Martyrossian and a Nominations Committee which recommends appointments to the Board. The day-to-day running of the

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Board reviews staff salaries annually at the Spring Board meeting and the Chair and Chair of the Finance sub-committee review the remuneration of the Senior Leadership Team..

Group Structure and Relationships

The Headmistress is a member of IAPS and the school is also a member of the Girls' Schools Association. Both organisations are dedicated to promoting all round excellence in education and accredit only those schools that can demonstrate the highest standards of education.

As part of its commitment to providing Public Benefit the school operates a bursary scheme (see below).

Fundraising

The school benefits from the work and generosity of the Glendower Parent Teacher Association ('GPTA') formerly known as the Parents' Association.. The new name reflects the close co-operation and mutual support of parents and teachers. The GPTA hold regular special events to raise funds for the school (including for the bursary scheme). The usual main events are a Spring Dinner Dance (held bi-annually) and an annual Christmas Fair. During the year parents gave £145,111 to support the bursary programme and to provide educational equipment for the new Nursery school. In raising funds, neither the school nor the GPTA engage professional fundraising organisations. Donations are only sought and received from parents of past and current pupils. The school did not incur any costs in connection with donations which it received. The school follows the fundraising regulators code of practice in regard to any complaints on fundraising procedure. There were no complaints received in the year. Separately, the GPTA headed by the Director of Partnerships and Development has formed relationships with Neighbouring maintained schools, especially Park Walk school where a joint programme has included, INSET training and shared weekly activities between Year 6 students. The GPTA has also worked with RBKC to assist Afghan refugees to settle in London by providing English lessons and various social activities.

Principal Risks and Uncertainties

The Board, with particular assistance from the Risk Management sub-committee and the Head and Bursar, continue to keep the school's activities under review, particularly with regard to any major risks that may arise from time to time as well as the systems and procedures established to manage them. The principal risks and their effective mitigation are set out below:

- Health and safety and fire: the school has a Health and Safety Committee (chaired by a Governor) which meets termly to consider the effectiveness of practices and procedures. Unannounced fire practices take place at least once a term. The school also employs Health and Safety and Fire Consultants to provide appropriate training and to review the school's policies and practices. The consultants prepare and keep under review the School's Fire Risk Assessment and General Risk Assessment. The Consultants attend the Health and Safety Committee regularly to provide feedback. Every member of staff receives Fire Safety induction and regular training.
- Poor financial management: the school produces an annual budget and termly management accounts which are carefully considered by the Finance Committee at their termly meetings. The Committee makes enquiries where items of income and expenditure are at variance with the annual budget and ensures that the school has adequate reserves to meet its needs.
- Safeguarding children. The Pastoral Deputy Head is the Designated Safeguarding Lead who is supported by three other members of staff and two Safeguarding Governors who check the schools' recruitment procedures and files as well as records of cases brought to their attention. Every member of staff receives safeguarding training annually.
- Rising interest rates: The Finance Committee carefully monitors the possible impact of rising interest rates and assesses ways of mitigating their effect on the school's finances

The Governors continue to monitor political events which may affect the future of independent schools. Potential risks include the removal of charitable status, which may have significant negative financial consequences.

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

PURPOSE, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

Purpose

The Purpose of the Trust is to own and operate Glendower Preparatory School as an independent preparatory and pre-preparatory day school for girls aged 4 to 11.

Aims

The school aims to do more than simply teach young children. Rather, the aim is to introduce them to the pleasure and excitement of learning, stimulating their curiosity, their imagination and competitive spirit and developing their critical thinking skills. Whilst aiming for the highest academic and sporting results, the school is equally concerned with fostering the kind of skills that help young girls grow into capable young women with a sense of self-worth and a developing awareness of the contribution they can make to society as a whole. The school aims to provide an educational environment where each pupil can develop to her potential, inculcating a desire to contribute to the wider community, thus preparing each child for the opportunities, responsibilities and experiences of later life.

Objectives for the year

The Board's main objective continued to be to educate the school's pupils to the same high standard achieved in previous years, so that they will be able to gain a place at their chosen senior school and to benefit fully from their future education. The strategy for achieving this is to maintain a high teacher-to-pupil ratio and excellent teaching standards. In setting objectives and planning activities, Governors have given careful consideration to the Charity Commission's general guidance on Public Benefit. The Governors confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Public Benefit, "Charities and Public Benefit".

Other key objectives are outlined below:

- To continue to develop the first-class pastoral care for pupils.
- To support pupils in need through means-tested bursaries.
- To continue the development of the school's infrastructure to provide teachers with the necessary facilities to provide an outstanding and up-to-date education for its pupils.
- To continue to develop our teaching link programme and joint working with local state primary schools. In this connection two members of the school's leadership team were Governors respectively of state primary schools in south west London during the year.

Principal Activity

Glendower School Trust's principal activity continues to be the operation of a day school for 4 to 11 year-old girls. During the year the school carried out extensive building works to an adjacent building acquired in 2021, in order to operate a Nursery for children aged 3-4 (see below).

Bursaries

The Trust operates an entrance bursary scheme to assist parents who would otherwise be unable to afford to pay the fees. Two children benefitted from bursary assistance during the year. The school continues to follow the ISBA's guidance on bursaries, assessing all pupils that apply for a bursary place within the school. The Governors view the bursary awards as important in helping to ensure that children from families who could not otherwise afford the fees can access the education offered at Glendower. In assessing means account is taken of investments, family income, savings and also family circumstances for example siblings and dependent relatives.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

On 29 January 2021 and in accordance with the Governors' strategic plan, the school acquired a residential property directly adjacent to and overlooking the playground, suitable for conversion into facilities for the main school and a Nursery for up to 32 children aged 3-4 years. Planning permission was obtained in October 2021 and conversion work commenced in early 2022. The new facilities were ready for occupation, in mid-October 2022.

The original purchase price was £3.0m and costs of £1.5m have been incurred in respect of the conversion works (see below)

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

Operational Performance: The school had an average of 250 pupils during the year (2021: 249).

In Spring 2022 pupils achieved excellent results in the 11+ examinations, which included a number of scholarships. Places were offered at the very best day and boarding schools. There were pleasing results in both music and music theatre exams again this academic year.

Operational performance of the school (continued)

Every year each form, year group and House is encouraged to raise funds for their chosen charity. Amongst the donations made in the year were to: Kensington and Chelsea Food Bank (£994), Brompton Hospital (£932), the Harrow Club (part of West London Youth Clubs (£576), Marine Conservation (£964), Macmillan Cancer (£294), Well Water (£1,506), Sport for Schools (£3,149) and WWF (£509)..

The school continues to focus on the need to ensure that there is no parking, dropping off or collecting outside the school between 8am and 9am and again between 3:15pm and 4:15pm. The School Travel Plan, which was updated during the year, has been approved by the local authority RBK&C and Transport for London, and the school has achieved a Bronze Award for Sustainable Travel. RBK&C have painted 'school keep clear' road marking outside the school to establish the area as an official School No Parking Zone. This has ensured that the area will be monitored by RBK&C parking attendants. RBK&C have installed green man crossings on all four corners of Queen's Gate and Stanhope Gardens, which are in use. Glendower's traffic management is used as an example of best practice by the Borough and another local school has been asked to observe how the no-parking zone is managed. The school continues to take part in the "Walk on Weekdays" scheme and other Borough led initiatives for road safety and traffic management.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The accounts for the year show net income before other recognised gains or losses of £13,819 (2021: £161,792).

Investment Policy, Powers and Performance

There are no restrictions on the school's absolute powers of investment. The school's policy continues to be to achieve long-term capital growth through risk-averse investments.

Included within these financial statements is the fair value of an interest rate swap contract the school has in place. The fair value of the interest rate swap is provided by the bank counterpart. The value of the swap is estimated based on the bank's market projection of future bank rates and is therefore subject to market conditions.

The purchase of the adjacent property required a re-structuring of the company's finances: the £6.2m loan from BNP Paribas was repaid using new borrowings from Metro Bank which provided a further facility of £2.8m to assist with the purchase. The conversion works are estimated to cost £1.5m which have come from the school's existing resources.

Reserves Policy

The school currently has unrestricted funds of £8,602,523 (2021: £8,278,933). It has been the policy of the Trust that unrestricted free reserves which have not been designated for a specific use should be maintained at a level between nine and twelve months' expenditure (between approximately £3.2 million and £4.2 million). As part of its re-development plan, the school has invested heavily in fixed assets and so currently has no free reserves when taking into account the loan used to fund the capital works. The school is satisfied that it has sufficient reserves and cash resources to meet its foreseeable financial obligations. There are also restricted funds of £318,163 (2021: £186,303), which will be used to finance bursaries.

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

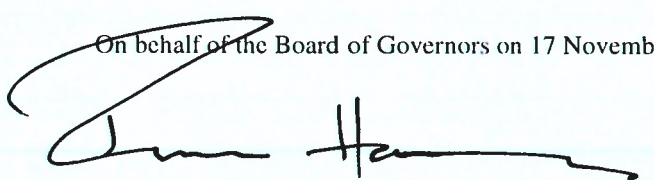
The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report of the Board of Trustees has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

On behalf of the Board of Governors on 17 November 2022



R K Harrison (Chair)
Governor

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENDOWER SCHOOL TRUST LIMITED

Opinion

We have audited the financial statements of Glendower School Trust Limited for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Report of the Governors, 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 is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' report).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLENOWER SCHOOL TRUST LIMITED

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the Governors' Report and from the requirement to prepare a strategic report.

Responsibilities of Governors for the financial statements

As explained more fully in the Governors' responsibilities statement set out on page 6 the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Charitable Company and industry, we identified that the principal risks of non-compliance with laws and regulations, company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 .

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

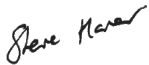
- Inspection of correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GLENOWER SCHOOL TRUST LIMITED**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

13 December
..... 2022

GLENDOWER SCHOOL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
INCOME FROM:					
Income from charitable activities:					
School fees	2	5,268,561	-	5,268,561	4,867,924
Other educational income	3	286,847	-	286,847	107,181
Investment income	4	768	-	768	13,023
Donations and legacies		-	145,111	145,111	52,846
Government grants		-	-	-	14,535
Total Income		5,546,176	145,111	5,691,287	5,055,509
EXPENDITURE ON:					
Costs of Raising Funds					
Investment management fees		12,833	-	12,833	4,618
Finance costs		559,202	-	559,202	442,195
Charitable Activities					
School Operating Costs:					
Teaching costs		2,554,218	-	2,554,218	2,558,347
Welfare costs		225,885	-	225,885	168,715
Premises costs		1,153,967	-	1,153,967	946,730
Support and governance costs		1,158,112	-	1,158,112	710,601
Grants and awards		-	13,251	13,251	62,811
Total Expenditure	5	5,664,217	13,251	5,677,468	4,894,017
Net (deficit) / income before other gains and losses		-118,041	131,860	13,819	161,492
Change in fair value of interest rate swap		441,631	-	441,631	279,770
Net income and net movement in funds		323,590	131,860	455,450	441,262
Fund balances at 1 September 2021		8,278,933	186,303	8,465,236	8,023,974
Fund balances at 31 August 2022		8,602,523	318,163	8,920,686	8,465,236

All amounts relate to continuing activities.

All recognised gains and losses are included in the income and expenditure account.

The prior year Statement of Financial Activities are included in note 20.

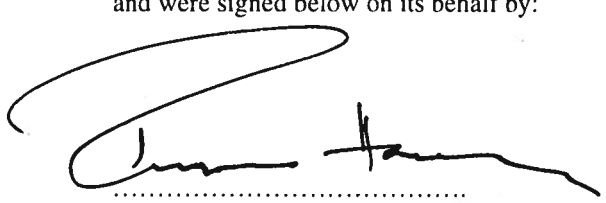
The notes on pages 12 to 23 form part of these financial statements.

BALANCE SHEET

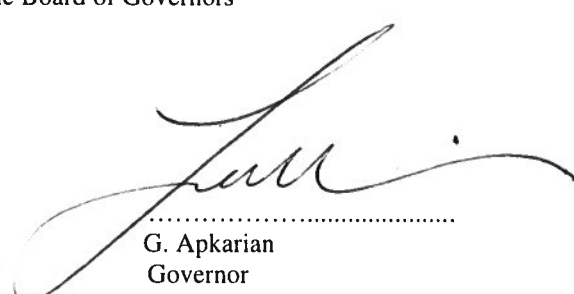
AS AT 31 AUGUST 2022

	Notes	£	2022	£	£	2021	£
FIXED ASSETS							
Tangible assets	9			18,686,342		17,735,868	
CURRENT ASSETS							
Debtors	10	1,508,088			1,309,054		
Cash and cash equivalents	11	2,341,977			2,064,955		
CREDITORS: amounts falling due within one year	12	(3,535,893)			(2,261,770)		
NET CURRENT ASSETS				314,172		1,112,239	
TOTAL ASSETS LESS CURRENT LIABILITIES				19,000,514		18,848,107	
CREDITORS: due after more than one year	13			(10,079,828)		(10,382,871)	
NET ASSETS				8,920,686		8,465,236	
FUNDS							
Unrestricted funds:	18			8,602,523		8,278,933	
Restricted funds	18			318,163		186,303	
	19			8,920,686		8,465,236	

The financial statements were approved and authorised for issue by the Board of Governors and were signed below on its behalf by:



.....
R K Harrison (Chair)
Governor



.....
G. Apkarian
Governor

Date: 17 November 2022

The notes on pages 13 to 23 form part of these financial statements.

GLENDOWER SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS AND MOVEMENT IN NET DEBT

FOR THE YEAR ENDED 31 AUGUST 2022

	2022	2021
	£	£
Cash flows from operating activities	2,516,509	3,702,755
Cash flows from investing activities		
Interest income	768	13,023
Purchase of property, plant and equipment	(1,681,053)	(3,467,392)
Net cash (used in) investing activities	(1,680,285)	(3,454,369)
Cash flows from financing activities		
Finance costs	(559,202)	(442,195)
Net cash (used in) financing activities	(559,202)	(442,195)
Change in cash and cash equivalents in the reporting period	277,022	(193,809)
Cash and cash equivalents at the beginning of the reporting period	2,064,955	2,258,764
Cash and cash equivalents at the end of the reporting period	2,341,977	2,064,955

NOTES TO THE STATEMENT OF CASH FLOWS

	2022	2021
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	455,450	441,262
Depreciation	730,579	542,807
(Increase) in debtors	(199,034)	(8,634)
Increase/(Decrease) in creditors – including swap liability	971,080	2,298,148
Interest income	(768)	(13,023)
Finance costs	559,202	442,195
Net cash provided by operating activities	2,516,509	3,702,755
Analysis of cash and cash equivalents		
Cash at bank and in hand	2,341,977	2,064,955
	2,341,977	2,064,955

Movement in net debt	Cash and cash equivalents	Borrowings	Interest rate swap	Total
At 1 September 2020	£2,258,764	(£6,200,000)	(£977,501)	(£4,918,737)
Cashflow	(£193,809)	(£2,800,000)	-	(2,993,809)
Fair value gains and losses	-	-	£279,770	£279,770
Interest charges	-	-	-	-
At 31 August 2021	£2,064,955	(£9,000,000)	(£697,731)	(£7,632,776)
At 1 September 2021	£2,064,955	(£9,000,000)	(£697,731)	(£7,632,776)
Cashflow	£277,022	-	-	£277,022
Fair value gains and losses	-	-	£441,631	£441,631
Interest charges	-	-	-	-
At 30 August 2022	£2,341,977	(£9,000,000)	(£256,100)	(£6,914,123)

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES

Basis of accounting

The accounts 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) (Second Edition, effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Critical accounting judgements and estimates

In preparing these accounts, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the accounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

A significant estimate is used for the annual re-valuation obtained for the changes in fair value for the interest rate swap derivative.

Income

Fees receivable and charges for services are accounted for in the year in which the services are provided. Fees receivable are stated after deducting allowances.

Investment income is accounted for in the period in which the school is entitled to the income.

Rental income is accounted for in the period which the school is entitled to the income.

Donations are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the school is considered probable.

The income is attributable to the principal activities of the charity, and is earned entirely within the UK.

Government grant income relates to the Coronavirus Job Retention Scheme (CJRS) and is recognised as receivable in line with the period that the relevant expense has been incurred.

Expenditure

Expenditure is accounted for on an accruals basis and is summarised under functional headings in the Statement of Financial Activities, with the irrecoverable element of value added tax included with the item of expense to which it relates.

Governance costs are those incurred in connection with the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and buildings are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% on cost
Building improvements	10% on cost
Furniture and equipment	20% on cost
Computers	33% on cost

No depreciation is provided on land.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Hedging arrangements

The Company applies hedge accounting for transactions entered into to manage the cash flow exposures of borrowings.

Changes in the fair values of derivatives designated as cash flow hedges, and which are effective, are recognised directly in other recognised gains and losses in the Statement of Financial Activities statement – in line with the hedge accounting treatment above.

Valuation of interest rate swaps

Included within these financial statements are the fair value of an interest rate swap contract. The fair value of this interest rate swap is provided by the counterparty. However, the value of the swap is estimated based on the bank's projection of future base rates and is therefore subject to the interest rate market.

Going concern

The financial statements have been drawn up using the going-concern basis as the Governors, after the review of relevant budgets and forecasts, have a reasonable expectation that the organisation will continue in operational existence for a minimum of twelve months from the date of the signing of the accounts. This assessment has been made having considered budgets and cashflow forecasts covering a period of at least twelve months from the date these accounts were approved. The assessment also considers the impact of the conversion of the property purchased and converted into a nursery as explained further in the Governors' Report.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due.

Creditors and Provisions

Creditors and provisions are recognised where the school has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Accumulated funds

The general fund represents funds available for use at the discretion of the Governors in furtherance of the objects of the charity and which have not been designated for other purposes.

Restricted funds

The restricted fund represents funds which are to be used in accordance with specific restrictions imposed by the donor.

GLENDOWER SCHOOL TRUST LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 AUGUST 2022****1. ACCOUNTING POLICIES (continued)****Pensions**

The teaching staff are members of the Department for Education superannuation scheme run by Teachers' Pensions.

This scheme is a multi-employer pension scheme. It is not possible to identify the school'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, accounts for the scheme as if it were a defined contribution scheme. The school's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.

The charity also contributes to defined contribution personal pension schemes for non-teaching staff. Contributions are charged to the Statement of Financial Activities in the period in which the salaries they relate to are paid.

2.	SCHOOL FEES	2022 £	2021 £
	Gross school fees	5,258,561	4,867,924
	Less bursaries and allowances	(33,226)	(62,811)
		<u>5,225,335</u>	<u>4,805,113</u>
	Add bursaries paid for by restricted funds	33,226	62,811
		<u>5,258,561</u>	<u>4,867,924</u>
3.	OTHER EDUCATIONAL INCOME	2022 £	2021 £
	Music lessons	396	836
	Deposits retained	100	2,625
	Registration fees	47,015	40,141
	School Fees Protection and Personal Accident Policies	1,214	1,357
	Swimming	17,974	8,110
	Other	220,148	54,112
		<u>286,847</u>	<u>107,181</u>
4.	INVESTMENT INCOME	2022 £	2021 £
	Rental income	-	12,715
	Interest receivable	768	308
		<u>768</u>	<u>13,023</u>

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

5. EXPENDITURE 2022

	Staff costs £	Depreciation £	Other Costs £	Total 2022 £	Total 2021 £
Costs of Raising Funds:					
Investment management fees	-	-	12,833	12,833	4,618
Finance costs	-	-	559,202	559,202	442,195
Charitable Activity:					
School Operating Costs:					
Teaching costs	1,959,698	-	594,520	2,554,218	2,558,347
Welfare costs	-	-	225,885	225,885	168,715
Premises costs	69,970	730,579	353,418	1,153,967	946,730
Support and governance costs	850,155	-	307,957	1,158,112	710,601
Grants and awards	-	-	13,251	13,251	62,811
	<u>2,879,823</u>	<u>730,579</u>	<u>2,067,066</u>	<u>5,677,468</u>	<u>4,894,017</u>

Governance costs includes fees to the auditors of £15,000 (2021: £13,250) for audit and £4,660 (2021: £3,510) for other services. Finance costs include interest payable on the swap agreement to BNP Paribas and the loans to Metrobank – see note 14.

EXPENDITURE 2021 Comparative

	Staff costs £	Depreciation £	Other Costs £	Total 2021 £
Costs of Raising Funds:				
Investment management fees	-	-	4,618	4,618
Finance costs	-	-	442,195	442,195
Charitable Activity:				
School Operating Costs:				
Teaching costs	2,312,774	-	245,573	2,558,347
Welfare costs	-	-	168,715	168,715
Premises costs	44,754	542,807	359,169	946,730
Support and governance costs	458,868	-	251,733	710,601
Grants and awards	-	-	62,811	62,811
	<u>2,816,396</u>	<u>542,807</u>	<u>1,534,814</u>	<u>4,894,017</u>

6. GOVERNORS

During the year Governors were reimbursed expenses totalling £147 (2021: £72) but an amount of £1,488 (2021: £485) was spent on seminars that were attended by the Governors. None of the Governors (or any persons connected with them) received any remuneration or benefits from the charity during the year. The cost of Governors' indemnity insurance in the year amounted to £3,863 (2021: £3,750).

7. STAFF COSTS

	2022 £	2021 £
Wages and salaries	2,285,087	2,224,147
Social security costs	239,302	224,696
Other pension costs	355,435	367,553
	<u>2,879,823</u>	<u>2,816,396</u>

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2022

7. STAFF COSTS (continued)

The average number of employees during the year was:

	2022 Number	2021 Number
Teachers	49	49
Domestic	2	2
Administration	8	7
	<u>59</u>	<u>58</u>

The full time equivalent number was 56. The number of employees whose annual emoluments were £60,000 or more were:

	Number	Number
£60,001 - £70,000	2	1
£70,001 - £80,000	2	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1
£120,001 - £130,000	-	-
	<u>-</u>	<u>-</u>

During the year pension contributions on behalf of these members of staff amounted to £94,989 (2021: £68,832).

Key management remuneration

	2022 £	2021 £
Aggregate remuneration and benefits for the key management personnel	<u>609,015</u>	<u>506,509</u>

8. TAXATION

The school has no liability for taxation due to its charitable status.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

9. TANGIBLE FIXED ASSETS	Land and Buildings £	Building improvements £	Asset Under construction	Furniture/Equipment £	Total £
Cost or valuation					
At 1 September 2021	15,662,627	2,147,280	3,370,041	667,194	21,847,142
Additions	-	24,391	1,548,287	108,375	1,681,053
Transfer		-		-	-
At 31 August 2022	15,662,627	2,171,671	4,918,328	775,569	23,528,195
Depreciation					
At 1 September 2021	2,406,837	1,180,974	-	523,464	4,111,274
Charge for the year	384,192	186,428	-	159,959	730,579
At 31 August 2022	2,791,029	1,347,401	-	683,422	4,841,853
Net Book Value					
At 31 August 2022	12,871,598	804,270	4,918,328	92,146	18,686,342
At 31 August 2021	13,255,790	966,306	3,370,041	143,730	17,735,868

All other tangible fixed assets are stated at historical cost.

10. DEBTORS	2022 £	2021 £
Fees debtors	1,479,605	1,280,369
Prepayments and accrued income	28,483	28,684
Other debtors	-	-
	<u>1,508,088</u>	<u>1,309,054</u>

11. CASH AND CASH EQUIVALENTS

This represents the bank current account plus a fixed deposit with Virgin Money of £86,073 (2021: £86,044).

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

12. CREDITORS: amounts falling due within one year	2022	2021
	£	£
Other taxes and social security costs	58,532	1,490
Fees charged in advance	2,083,531	1,789,086
Fee deposits	109,315	94,130
Other creditors and accruals	1,284,515	377,064
Bank loans and overdrafts	-	-
	<u>3,535,893</u>	<u>2,261,770</u>
13. CREDITORS: amounts falling due after more than one year	2022	2021
	£	£
Loan notes to parents	-	-
Fee deposits	823,728	685,140
Bank loan	9,000,000	9,000,000
Interest Rate Swap liability	256,100	697,731
	<u>10,079,828</u>	<u>10,382,871</u>
Bank loans are repayable as follows:		
	-	-
Within one year (see note 12)	-	-
Between one and two years	144,605	-
Between two and five years	8,855,395	9,000,000
Over five years	<u>9,000,000</u>	<u>9,000,000</u>

There are two bank loans in place, one of £6.2m which is secured by a legal charge on the school's freehold properties at 86 and 87 Queen's Gate and 86 Stanhope Mews East. It is interest only until February 2024. The loan interest is floating rate equal to the aggregate of the Margin (3.75%) and the Base Rate. For the year ended 31 August 2022, the interest rate was 3.85%.

The second bank loan of £2.8m is secured by a legal charge on the school's freehold properties at 86 and 87 Queen's Gate and 86 Stanhope Mews East. It is interest only until February 2024. The loan interest is floating rate equal to the aggregate of the Margin (3.75%) and the Base Rate. For the year ended 31 August 2022, the interest rate was 3.85%.

There is also an interest rate swap entered into with BNP Paribas. Due to the refinancing in the year, the swap is now held separately to the bank loans, with interest payable at a fixed rate of 5.2% until 2027, the swap amortised from 2019. The value of the swap has been included at the balance sheet date, in line with FRS 102 and the accounting policies set out in note 1.

14. SHARE CAPITAL

The company is limited by guarantee and does not have share capital. In the event of the company being wound up and unable to meet its debts, the maximum liability of each member is £1.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

15. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022 the company had total commitments under non-cancellable operating leases as follows:

	Computer Equipment 2022 £	2021 £
Expiry date:		
Within one year	27,000	24,906
Within two to five years	35,220	39,600

16. CAPITAL COMMITMENTS

At 31 August 2022 the company had £585,356 capital expenditure contracted for (2021: £Nil).

17. PENSIONS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £307,377 (2021: £312,669) and at the year-end £nil (2021 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2022 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

17. PENSIONS (CONTINUED)

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

18. FUNDS	1 September 2021 £	Income £	Expenditure £	Gains/(losses) and transfers £	31 August 2022 £
Restricted funds					
Bursary funds	186,303	145,111	13,251	-	318,163
Total restricted funds	186,303	145,111	13,251	-	318,163
Unrestricted funds					
General funds	8,278,933	5,546,176	5,664,217	-	8,602,523
Total unrestricted funds	8,278,933	5,546,176	5,664,217	-	8,602,523
Total funds	8,465,236	5,691,287	5,677,468	-	8,920,686

Bursary funds comprise donations received by the school for use in the provision of bursaries to children who meet the current requirements. The transfer represents total bursaries awarded in the year to be allocated against the fund.

18 PRIOR YEAR MOVEMENT IN FUNDS

	1 September 2020 £	Income £	Expenditure £	Gains/(losses) and transfers £	31 August 2021 £
Restricted funds					
Bursary funds	203,607	50,333	(67,637)	-	186,303
Total restricted funds	£203,607	50,333	(67,637)	-	186,303
Unrestricted funds					
General funds	7,820,367	5,005,176	(4,546,610)	-	8,278,933
Total unrestricted funds	£7,820,367	5,005,176	(4,546,610)	-	8,278,933
Total funds	£8,023,974	5,055,509	(4,614,247)	-	8,465,236

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

19. NET ASSETS BETWEEN FUNDS	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	18,686,342	18,686,342
Net current assets	318,163	(3,991)	314,172
Long term creditors	-	(10,079,828)	(10,079,828)
Net assets at the end of the year	318,163	8,602,523	8,920,686
NET ASSETS BETWEEN FUNDS 2021	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	17,735,868	17,735,868
Net current assets	186,303	925,936	1,112,239
Long term creditors	-	(10,382,871)	(10,382,871)
Net assets at the end of the year	186,303	8,278,933	8,465,236

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2022

20 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted £	Restricted £	Total 2021 £
INCOME FROM:				
Income from charitable activities:				
School fees	2	4,867,924	-	4,867,924
Other educational income	3	107,181	-	107,181
Investment income	4	13,023	-	13,023
Donations and legacies		2,513	50,333	52,846
Government grants		14,535	-	14,535
Total Income		5,005,176	50,333	5,055,509
EXPENDITURE ON:				
Costs of Raising Funds				
Investment management fees		4,618	-	4,618
Finance costs		442,195	-	442,195
Charitable Activities				
School Operating Costs:				
Teaching costs		2,558,347	-	2,558,347
Welfare costs		168,715	-	168,715
Premises costs		941,904	4,826	946,730
Support and governance costs		710,601	-	710,601
Grants and awards		-	62,811	62,811
Total Expenditure	5	4,826,380	67,637	4,894,017
Net income before other gains and losses		178,796	(17,304)	161,492
Change in fair value of interest rate swap		279,770	-	279,770
Net income and net movement in funds		458,566	(17,304)	441,262
Fund balances at 1 September 2020		7,820,367	203,607	8,023,974
Fund balances at 31 August 2021		8,278,933	186,303	8,465,236

