

ST DUNSTAN'S EDUCATIONAL FOUNDATION

England & Wales · Charity number 312747

Details

Status Registered

Legal form Other

Registered 1963-02-20

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: TO ADVANCE EDUCATION INCLUDING BUT NOT LIMITED TO THE PROVISION OF DAY AND BOARDING SCHOOLS FOR BOYS AND GIRLS IN OR NEAR LONDON, WITH A PREFERENCE GIVEN TO LEWISHAM

Activities: The Charity runs a day school in Catford in the London Borough of Lewisham for boys and girls aged between 3 and 18 years old. It provides bursaries and scholarships to a wide range of pupils and opens its facilities to the wider community.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- Lewisham

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£25,133,730	£23,854,002	£32,588,652	276
2023-07-31	£21,943,000	£19,602,000	£31,568,000	264
2022-07-31	£18,940,825	£17,782,268	£28,405,450	264
2021-07-31	£16,528,765	£14,665,911	£24,685,900	208
2020-07-31	£15,203,388	£14,302,568	£21,259,111	199

Trustees

Name	Role	Appointed
St Dunstan's Education Foundation Trustee Limited		2024-12-31

Linked charities

- PROFESSOR ANDRADE MEMORIAL FUND (312747-1)
- BRENDA ATKIN MEMORIAL FUND (312747-10)
- JOHN SHERGOLD MEMORIAL FUND (312747-11)
- PHILLIP CARTER MEMORIAL FUND (312747-12)
- J M WILLIAMS MEMORIAL FUND (312747-13)
- ERIC WIDDOWSON MUSIC PRIZE AND FUND (312747-14)
- THE GENERAL LEWIS SCHOLARSHIP FUND (312747-15)
- DUNCAN DOUGLAS MEMORIAL FUND (312747-2)
- NOBLE MEMORIAL FUND (312747-3)
- CHARLES HENRY MITCHELL MEMORIAL PRIZE OR PRIZES (312747-4)
- CLEMENTS BARNES MEMORIAL FUND (312747-5)
- ARMSTRONG CHEMISTRY PRIZE (312747-6)
- HOWARD MEMORIAL PRIZE (312747-7)
- SIFFKIN MEMORIAL FUND (312747-8)
- STEVENS AWARD FOR PHYSICS (312747-9)

Accounts



St Dunstan's Educational Foundation

Consolidated Annual Report and
Consolidated Financial Statements for
the 13-month period ended 31 August
2024

Contents

Trustee's report.....	2
Aim of the Foundation	3
Structure, Governance and Management	4
Significant Achievements and Measurable Success in 2023/24	9
Public Benefit.....	11
Risk Management	12
Financial Review.....	13
Statement of Trustee's Responsibilities	16
Independent Auditor's Report	17
Financial Statements	21
Consolidated Statement of Financial Activities	21
Balance Sheets.....	22
Statement of Cash Flows.....	23
Accounting Policies.....	24
Notes to the Financial Statements	31

Trustee's report

We as governors and directors of the corporate trustee of St Dunstan's Educational Foundation (the Charity) have pleasure in presenting the annual report and consolidated financial statements for the 13-month period ended 31 August 2024. The report covers the activities of the Charity which operates and manages St Dunstan's College and its trading subsidiary SDEG Enterprises Limited (formerly known as College Hire Limited).

The financial statements comply with current requirements and the Statement of Recommended Practice 'Accounting and Reporting by Charities'.

The governors have read the Charity Commission's guidance on public benefit and have paid due regard to the guidance as is evidenced in this report.

Charity Registration Number: 312747

Principal Addresses and Advisors

Registered Address

St Dunstan's College
Stanstead Road
London, SE6 4TY

Investment Mangers

UBS AG
5 Broadgate
London, EC2M 2AN

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham, GL50 1YD

Auditor

RSM UK Audit LLP
100 Avebury Boulevard
Milton Keynes, MK9 1FH

Mills & Reeve LLP

24 King William Street
Candlewick
London, EC4R 9AT

Bankers

HSBC Bank Plc
City of London Commercial Centre
71 Queen Victoria Street
London, EC4V 4AY

Veale Wansbrough Vizards LLP

Narrow Quay House
Narrow Quay
Bristol, BS1 4QA

Aim of the Foundation

Our Foundation

St Dunstan's Educational Foundation is an ambitious, forward-thinking community that champions individuality through a broad, liberal and academically exciting education. The Foundation's charitable objective is to provide a leading co-educational school for boys and girls in or near Lewisham, supporting and inspiring each student to find their own way, make their own mark, and discover who they are; becoming comfortable with their emerging identity and the diversity of life that surrounds them, whilst being unashamedly ambitious for themselves and their community. Pupils come from across the Lewisham and neighbouring London boroughs, and from a wide range of state and independent schools.

Our Ethos

Translating as 'Adorn the White', our College motto, *Albam Exorna*, is as relevant today as it was at the time of our Lewisham foundation, in 1888. The white shield that serves as three quarters of our College crest is a blank canvas onto which is emblazoned the as-yet-unwritten story of each St Dunstan's pupil.

We cherish our school of unique characters, each being encouraged to navigate their own journey through life whilst being nurtured to develop the Courage to be who they are, the Creativity to develop new ideas and approaches, the Confidence to try, succeed and fail, the Compassion to understand and appreciate others, and the Curiosity always to want to discover more.

Our Vision

Our vision seeks to capitalise upon the rich and imaginative history of our College without being constrained by it, delivering a deliberately ambitious and forward-thinking approach to education without losing sight of the importance of supporting and inspiring individuality. St Dunstan's aspires for all our young people to thrive in every way – personally, physically, socially and academically – and the breadth of our curriculum and co-curriculum is entirely designed to support that ambition. Our community makes us who we are – our vibrant and grounded Lewisham location, our rich and inspiring history, our co-educational setting, and our eclectic Dunstonians, near and far – all of this sets the tone for a community that is particularly well positioned to embrace the range of challenge and opportunity presented by the globalised world of which we are now a part.

Our Values

The values that we aspire to inculcate across our community are those of Courage, Creativity, Confidence, Compassion and Curiosity. These values chime with the life of St Dunstan, an extraordinary man whose life is an inspiration to the deliberately broad and ambitious curriculum and co-curriculum we offer today, as well as our deep and sincere commitment to pastoral care and wellbeing, in its broadest possible sense.

Structure, Governance and Management

The Governing Body

GOVERNOR	COMMITTEE	APPOINTED	RESIGNED
Mr Paul Durgan	Chair Chair of Leadership & Governance (L&G)	10 October 2022	
Dr Yvonne Burne	Chair of Education Committee (EC) L&G	10 October 2022	
Mr Navdeep Sheera	Deputy Chair Chair of Finance & Resource Committee (FRC) L&G	10 October 2022	
Dr Andrew Cairns	EC	10 October 2022	
Mr Shams Rahman	FRC, L&G	10 October 2022	
Mr Jonathan Ronan	EC	10 October 2022	
Mr David Probert	FRC	9 December 2022	
The Rev'd Katherine Hedderly		9 December 2022	14 April 2024
Mrs Rosalind Meredith		9 December 2022	30 October 2023
Mr Thomas Shave	FRC, L&G	24 March 2023	
Professor Mieke Van Hemelrijck	EC	24 March 2023	6 December 2024
Mr Rishi Boyjoonauth	EC	22 March 2024	10 February 2025
Mr Aman Bhandari		24 March 2023	8 December 2023
Mr Nicholas Crawford		24 March 2023	8 December 2023
Mr Ed Enzor	FRC	22 March 2024	
Dr Rupert Evenett MBE	Chair designate	6 December 2024	

History and Constitution

St Dunstan's Educational Foundation is an unincorporated charity which is managed and controlled by a sole corporate trustee, St Dunstan's Education Group (formerly known as St Dunstan's Trustee Limited) (the Governing Body). St Dunstan's Education Group has up to 15 Directors, as listed above, who serve as Governors to the charitable bodies they oversee, which includes both St Dunstan's Educational Foundation and Thurlow Educational Trust Ltd.

The Directors have a statutory role to ensure the charities fulfil their charitable objects. For St Dunstan's Educational Foundation, this is 'the provision and conduct in or near Lewisham of a day or day and boarding school for boys and girls'. In ensuring the fulfilment of this object, the Directors agree the vision for the charity and set strategic objectives and targets for the St Dunstan's Executive Team (DET) to fulfil.

Directors are jointly and severally responsible for the custodianship of the charities and in so doing ensure compliance, approve policies, monitor and review key performance indicators for

the Executive. The Governing Body delegates more detailed scrutiny to a number of sub-committees, including Education, Finance and Resources, and Leadership and Governance.

There are 15 Governors in total. Two are ex officio: The Alderman of the Ward of Tower in the City of London and the incumbent priest of All Hallows by the Tower. Up to four of the Governors are also Directors of Thurlow Educational Trust Ltd. The remaining nine are selected on the basis of their skills and experience following the regular review of the constitution of the Board and the needs of the charities. Two of the Governors are also non-executive Directors of the Charity's trading subsidiary, SDEG Enterprises Limited (formerly College Hire Ltd).

Appointment of New Governors

Governor succession is reviewed by the Leadership and Governance Committee. They review the governor's skills matrix and determine the requirements for the new appointment. The role is then advertised to the Group's networks. For key roles a recruitment agent may be used. Candidates are interviewed by members of the Leadership and Governance Committee and are selected with regard to their specialist skills, availability, eligibility and commitment.

Following appointment by the Board, new governors are formally inducted by the Clerk. This induction involves visiting the College, meeting with and being briefed by key staff, and the provision of a substantial background information pack on the role of a governor at St Dunstan's Education Group and the Board's oversight of the two charitable entities, including St Dunstan's Educational Foundation. All new governors are required to complete appropriate safeguarding checks and induction paperwork to comply with relevant policies, covenants and legislation.

All governors attend a study period once a year to receive training and presentations on key issues affecting the charities and the sector more widely, and to give them an opportunity to make decisions about the future direction and strategy of the charities. To keep up to date with developments and changing legislation, governors also attend various training days and seminars provided by the Association of Governing Bodies of Independent Schools (AGBIS), the Independent Schools' Bursars Association (ISBA), the Heads' Conference (HMC), and legal and accounting firms.

The strategic direction of the Charity is determined by the Governing Body. There is a joint strategic vision and framework that sits across both charitable entities. Detailed challenge and support of the various elements of the leadership and management of the College is delegated to the various sub-committees. All governors attend meetings of the Governing Body, which take place at least once in each school term, amounting to three meetings in any normal year. At these meetings, governors offer challenge and support to the executive leadership, as well as making strategic decisions about the future direction of the schools and ensuring policies are being implemented effectively.

The Education, Finance and Resources, and Leadership and Governance committees meet each term prior to the full Governing Body meeting, so that the Chair of each sub-committee can present a short report to the full Board. Each Committee has a nominated Chair; the Chair of the Board of Governors and the Deputy Chair currently attend each Committee along with at least four other governors. Day to day running of the charities is delegated to the Head, who chairs the St Dunstan's Executive Team (DET). The responsibility for complying with all charity and related regulations is delegated to the Clerk.

The Charity has taken out trustee indemnity insurance.

Executive Team

The management team is known as the DET and comprises:

Mr Nick Hewlett	Head of Group
Mrs Jade McLellan	Head of St Dunstan's Senior School
Miss Laura Whitwood	Head of St Dunstan's Junior School
Mrs Gemma Davies	Acting Head of St Dunstan's Junior School (Maternity Cover until 31 August 2024)
Mr Jonathan Holmes	Deputy Head Academic (until 31 August 2024)
Mr Graeme McCafferty	Head of Rosemead Preparatory School and Nursery
Mrs Saffron Hutt	Chief Operating Officer
Ms Michelle Punt	Chief People Officer (until 13 December 2024)
Ms Hannah Fox	Chief Finance Officer (until 11 April 2025)
Mrs Sarah Pearson	Chief Finance Officer (from 20 March 2025)

The DET and the Clerk to Governors attend all full Governing Body meetings and all Committee meetings, as well as any sub-committees or panels as required. Other senior staff members from across the College are invited to attend relevant governors' meetings as and when necessary.

Management Remuneration

Pay for the DET is reviewed annually by the Leadership and Governance Committee, which is made up of all the committee chairs and includes the Chair of Governors.

The Charity engages in educational benchmarking surveys and regularly monitors remuneration and benefits within the independent school sector.

Related Entities

The Charity has a wholly owned subsidiary company, SDEG Enterprises Limited (formerly known as College Hire Limited), Company Number 04396837. SDEG Enterprises Limited has a license agreement with the Charity to promote and manage the use of the Charity's assets and facilities when not required by the College. The Deputy Chair is the Chair of the Board of Directors of SDEG Enterprises Limited, which also includes the Chair of the Board of Directors of St Dunstan's Education Group and the Head.

The Friends of St Dunstan's College contribute generously to the College. Further information is provided in note 25 of the Accounts.

Equality, Equity, Diversity and Inclusion

The Governing Body is proud of the diverse and vibrant community it leads and serves. The Board is committed to inculcating a culture of inclusion across the organisation that celebrates diversity and equality throughout all its charitable and commercial interests. This commitment is rooted in a fundamental recognition of the tremendous benefits bestowed on any organisation, and on society at large, as a consequence of championing diversity, as much as the Board recognises its obligations under the Equality Act 2010. A diverse board that deliberately leads a culture of inclusion will produce better, more innovative decisions, furthering the organisation's reputation as a leader in equality and diversity across the sector.

This commitment is manifest in the following ways:

1. Ensuring that the Board's membership reflects the broadest range of qualifications, skills, experiences, perspectives and the myriad of human identities essential to advancing its vision. To this end, the Leadership and Governance Committee, within the processes for identifying potential members on the Board, will search for highly skilled potential candidates who enable the Board to best reflect the diversity of the communities it serves, having particular regard to underrepresented groups, including but not limited to those represented by race, sex, disability, gender identity, gender expression and sexual orientation.
2. Ensuring that the Board's policies create an ambitious and forward-thinking framework for employees to be at one with who they are as an individual and to feel included within a diverse community that is committed to equality as defined under the Equality Act 2010. In so doing, to ensure adequate training of staff in the expectations of the organisation, its implementation of the Equality Act 2010 and ensuring best practice in recruitment, reasonable adjustments to working practices, and a culture of transparent dialogue around inclusion of all.
3. Ensuring that the Board's policies create an ambitious and forward-thinking curriculum for pupils such that they understand the meaning of the Equality Act 2010, the value of diversity in its fullest sense and are educated to understand their role in promoting a culture of inclusion and one that celebrates diversity and equality.
4. Ensuring that discrimination, in any form, will not be tolerated within the St Dunstan's community and we will be a proud and strong voice for equality, diversity and inclusion in all its forms.

Auditing diversity and equality

We are committed to routinely auditing our diversity as an organisation and developing an ongoing strategy for how we can improve our diversity, its celebration and the education of its value, as well as better understanding barriers to equality and how they might be more effectively overcome.

Sustainability

At St Dunstan's College, we are passionate about creating a sustainable future. Our Environmental Policy, which was written by staff, pupils and members of our local community, was launched in 2021 and focuses on the following, overarching strategies:

1. To reduce the negative impact that our estates and facilities have on the environment.
2. To significantly reduce our carbon footprint, as part of our journey to becoming carbon neutral.
3. To educate ourselves and others on sustainability through effective collaboration, communication, and curriculum content.

Our new Junior School, STEM block and Sixth Form Centre achieved a 'BREEAM excellent' classification. A high priority was given to more sustainable construction methods, which were used to reduce the environmental impact, both during construction and for the life of the building thereafter. Examples include Brick Slip cladding, PV panels, intelligent BMS systems and LED lighting. Sustainability is at the heart of the school's new estate masterplan, with the Plaza scheme incorporating outdoor classrooms that will be vegetated with biodiverse meadows and a new sustainable drainage systems (SuDS) will be introduced to manage stormwater locally to mimic natural drainage and encourage its infiltration, attenuation and passive treatment. The SuDS strategy will be deliberately made visible to the pupils, to increase their understanding of the effect of increased rain fall associated with global warming. Furthermore, the redevelopment of the leisure centre will include significant investment in facility upgrade, including reducing the depth of the swimming pool, to enhance energy efficiency. This option was chosen over a complete rebuild, partly because demolition and rebuild would be significantly more carbon-intensive due to the embodied carbon in construction materials and the emissions associated with demolition waste. By retaining and improving our existing structures, the redevelopment minimises environmental impact whilst delivery modernised, first-class facilities.

Our pupils are also leading the way with our target to significantly increase the biodiversity across our sites. Through the College Parliament, Sustainability Committee and Green Society and Eco Councils the young people plan, design and manage many areas around the College, including two large ponds (which are teeming with frogs, snails and newts), various wildflower beds, untouched wild areas, and herb and vegetable gardens.

All lights in the 19th Century buildings have been replaced with energy efficient LEDs and automatic shutdown software ensures that computers, TVs and projectors are turned off overnight and a programme of retrofit improvements to the Refectory have begun, with a recent insulation project significantly reducing heat loss and therefore energy consumption. An expert environmentalist is employed by our Catering Company to ensure that waste is reduced to the lowest possible quantity and reused to create energy. Single use plastic has been removed from our catering provision completely. Menus include a weekly 'meat free' day and many of the pupils across the College willingly select the vegetarian and vegan options.

Environmental assemblies are a regular feature in the calendar, as are sustainability Themes of the Week. Pupils collaborate on these topics regularly and drive positive change across our organisation. Pupils are passionate about creating a 'no waste' culture and many encourage thrifting, selling and sharing clothes and equipment. Sustainability Top Tips are regularly displayed on our video wall and pupils attend high profile community meetings to drive positive change.

Significant Achievements and Measurable Success in 2023/24

Governors are delighted that excellent progress has been made across the year in relation to the agreed strategic framework and associated KPIs. In particular, they note the following:

- Demand for a St Dunstan's Education continues to represent record levels of interest, as measured by footfall at marketing events, registrations at all entry points and acceptances
- Intra-year and inter-year retention of pupils has continued to exceed expectations with fewer families wanting to leave St Dunstan's within the year or at the end of the year. When this data is interrogated, we note that reasons for leaving are dominated by relocations and moves to the state sector for reasons of affordability.
- In the period covered by these accounts, St Dunstan's has received a number of industry awards. These include Most Progressive Independent School in London by the Private Education Awards 2023, Independent School of the Year at the IE Global Awards 2023, and Outstanding Fundraising Contribution at the Independent Schools of the Year Awards 2023. St Dunstan's was also nominated for Prep School of the Year and Head of the Year at the Tes School Awards 2023.
- ISI Inspection: St Dunstan's College was one of the first schools in the country to receive two significant strengths from the ISI - for the broad and varied curriculum and for our dedication to celebrating diversity within the school.
- Academic results in the Sixth Form are highlighted as:
 - 88% of grades achieved were A* - B
 - 63% of grades achieved were A* - A
 - 97% of students will be going to their chosen university
 - 100% success for students holding an offer to Oxbridge
 - 100% success for students holding an offer for medicine
 - 100% success for students holding an offer to a music conservatoire, art foundation course or drama school
 - More than two thirds of the students will be joining a Russell Group university and Times World Rankings Top 20 university
 - 64th independent school in the United Kingdom in the Times league table
- Academic results in the Senior School (up to Year 11) are highlighted as:
 - 53% of GCSE grades achieved were 9-8
 - 78% of GCSE grades achieved were 9-7.
- Academic results in the St Dunstan's Junior School (up to Year 6) are highlighted as:
 - 54% scoring 120+ in English, 67% scoring 115+
 - 58% scoring 120+ in Maths, 75% scoring 115+
 - 57% scoring 120+ in Cognitive Ability Test, 75% scoring 115+.

Our Future Plans and Strategy 2030

Our Education

Our schools work with a range of partners to be at the forefront of educational thinking, continuing to challenge convention, taking courageous educational decisions, and remaining true to a broad, liberal and values-driven education. A culture of safeguarding children underpins all we undertake.

Our Pupils – Academic and Other Achievements

Pupils are inspired and supported as individuals, and in such a way that enables each of them to make outstanding and measurable achievement across a broad range of subjects and interests, making creative use of digital innovation as a key facilitator for progress.

Our Pupils – Personal Development

Pupils have a strong sense of wellbeing that is rooted in being at one with who they are and the diverse environment in which they are situated. Pupils personify grounded, open-minded, articulate thinking, as active citizens of a changing global community.

Our Staff

Staff seek to work in our schools as a consequence of our purpose and vision, our unique identity and reputation, and our sincere commitment to staff voice, professional development, wellbeing, diversity and equity, all of which creates a culture of ambition, trust and transparency.

Our Alumni

Our schools celebrate a vibrant alumni body where former pupils are engaged, proud and active ambassadors for their school, its community connections and philanthropic work.

Our Parents

Families of all means apply and remain at our schools from ever-widening catchments, because of a wholehearted belief in the distinct ethos that underpins our education. Parent satisfaction is strong, and parents and carers can be active participants in our development and culture. Our relationship with parents and carers is rooted in integrity, underpinned by robust and clear policies and procedures, engendering trust and transparency.

Our Wider Community

We believe in a broader educational purpose that supports an aspiration for the betterment of our local communities and their residents. We know that such work entirely aligns with the educational aims we have for our pupils. Working with local partners we provide life-enhancing opportunities to local people that seek to promote social mobility, engender wellbeing and improve communities, in addition to responding with generosity to local needs and events.

Our Environment

Our schools have a clear and rolling programme of investment in their buildings and infrastructure, ensuring that we lead the way in developing an appropriate digital and physical environment for forward-thinking educational charities. We are committed to becoming a carbon-zero organisation, and we seek to set ambitious standards for sustainability.

Our Business

Our schools are underpinned by a thriving business model that ensures efficiency of expenditure and diversification of income, maximising the use of growing and impressive assets, and activity considering the expansion of our reach through mergers, acquisitions and commercial partnerships.

Future Capital Plans

The Charity will continue the extensive redevelopment of its estates, which in recent years has seen the opening of a £20m Junior School, STEM Centre and Sixth Form Centre. This year saw the completion of the estate masterplan by Walters and Cohen, and the concurrent initiation of phases one and two of this masterplan. Guillame Baltz is the lead landscape architect for the Plaza transformation which is expected to be delivered in summer/autumn of 2025 and Hollaway Studio the lead architect for the leisure centre redevelopment, which is hoped to commence in late 2026, early 2027.

Public Benefit

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences, which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy, together with our involvement in the community, contributes to a widening of access to the education we offer and the facilities we enjoy.

The College is part of a wider community, and it strives to ensure that we are fully integrated with it. A significant and growing community service programme, a range of educational benefits offered to local children and state schools, a community Summer Festival and regular review of how our facilities are best deployed for community use, out of term time, are all important features of College identity.

Bursaries and Scholarships

St Dunstan's College continues to offer a generous scholarships and bursaries programme for Senior School students joining us at 11+ and 16+.

The Charity awarded scholarships, bursaries and prizes to pupils to the value of £2,151k (2023: £2,005k).

The value of means tested bursaries totalled £999k (2023: £893k) and represented 5% (2023: 5%) of our gross school fees. Bursaries provided assistance to 64 (2023: 69) of our pupils, of which 30 (2023: 30) pupils benefited from full fee remission.

Charity, Community and Partnerships

St Dunstan's today is an educational charity whose purpose is to offer more to its Lewisham community than an independent education for those with the means to access it. As a values-

rooted organisation, St Dunstan's believes in a broader educational purpose that supports the ongoing aspirations for the betterment of Lewisham and its residents. Furthermore, we believe that as an educational charity, our pupils, staff and parents benefit from such work, and that it aligns with our forward-thinking approach to education in seeking to promote high achievement without arrogance, and as a consequence of the values-driven, broad and liberal education we proudly offer.

Key partnerships and community events

- Lewisham Young Leaders Academy
- XLP Sports Project
- Chelsea Football Partnership
- London Academy of Excellence Tottenham
- Bonus Pastor College
- Let's Talk About... Conference for Educators on Adolescent Addiction

Risk Management

The governing body is responsible for ensuring that a robust system exists for identifying, managing and evaluating risk across the Charity and that this process is regularly reviewed. The St Dunstan's Education Group Risk Register comprises strategic-level risks linked to the achievement of the Charity's strategic objectives. The Risk Register is maintained by the Executive Team, who assess and manage organisational risks and agree risk owners and mitigating actions and controls. This is reported to the Full Governing Body.

A serious incident log is also maintained by the Executive. This log captures incidents across the Charity that are considered 'one-off', potentially posing significant risk to the Charity and its reputation. Trends within this log are reviewed termly by the Executive, alongside the Complaints Log and Bullying Log, with the necessary action plans to address any trends agreed and progressed. This is also reported to the Full Governing Body.

Principal Risk and Uncertainties

Governors work with the Executive to identify the main risks to the Charity, as captured in the more detailed Risk Register. At the end of 2023/24, these were identified as being:

1. Affordability of private education in the face of the implementation of VAT on school fees, inflation and ongoing political and economic headwinds.
2. The impact of growth on the smooth operation of the schools and our effective delivery of an outstanding educational product in all areas.
3. Market changes in London and by way of societal demand for a particular type of educational product.
4. Cyber-security.
5. Financial leverage as a consequence of our loan and the need for further investment into the estate.
6. The increasingly litigious context in which all schools operate.
7. Ensuring ongoing and robust approaches to compliance and security across large estates and buildings.
8. The increasingly challenging employment market and workforce shortages.

Detailed plans have been drawn up and implemented to mitigate these and all other high risks identified, including but not limited to:

1. Commissioning detailed third-party market research for all schools within the group to more fully understand the market
2. Agreeing a consolidation of growth strategy
3. Rolling out a cyber-security training programme
4. Actively considering the commercial opportunities within the Estate to raise more funds
5. A comprehensive Estate plan for building works
6. A comprehensive people plan for the whole organisation
7. Active financial planning for an affordability crisis and in order to support struggling families

Financial Review

These financial statements cover the 13 months ended 31 August 2024 and include St Dunstan's Educational Group and its wholly owned subsidiary, SDEG Enterprises Limited (formerly known as College Hire Limited), collectively referred to as 'the Group'.

Overall, the Group's funds have increased during the period by £1,021k (2023: increase of £3,164k).

This is due to:

1. a strong operational performance leading to net income before tax and investment gains/losses of £1,280k (2023: £2,341). The school fees receivable for the period amounted to £20,952k (2023: £18,947k), representing an 11% increase over the previous twelve months.
The fall in net income before tax and investment gains/losses is because although 2023 -2024 was a 13-month period the school fees included represent one academic year (i.e. an equivalent period to 2022 -2023) whereas the expenditure includes an extra month of costs.
2. £596k was received from St Dunstan's College Benevolent Fund (Charity number: 269748) as a restricted donation when the fund merged with the Foundation.
3. Loss of £1,037k (2023: gain of £1,688k) on an interest rate swap to hedge the loan from HSBC.
4. Increase in the value of investments by £800k (2023: Loss 936k) due to stock market movements.
5. Actuarial loss of £22k (2023: gain of £71k) on a defined benefit pension scheme.

SDEG Enterprises Limited achieved an operating profit after tax of £307k (2023: £277k).

Note 17 to the accounts sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Group's obligations on a fund-by-fund basis.

Tangible assets are all held for use by the Group. Investments are held to create income and capital growth pending their utilisation on the objects of appeals, bequests or donations, or to match liabilities as appropriate. These are valued at cost or appropriate valuation (see Note 11). During the year, one of the properties owned by the Group was sold leading to a profit of £663k.

Going Concern

The governors have a reasonable expectation that the Group remains a going concern. See the accounting policy on pages 24 - 25 for more details.

On 31 December 2024 the trade, un-endowed assets and liabilities of St Dunstan's Educational Foundation were transferred to St Dunstan's Education Group. Therefore, from this date the only assets remaining in St Dunstan's Educational Foundation are the endowed assets, and the Charity no longer trades. However, it is considered to be a going concern as it is required to continue to exist to hold the endowed assets and related income/expenditure for the foreseeable future.

Investment Performance

Governors are satisfied with investment income. The overarching investment objective is to maximise investment income while at least maintaining the value of the funds in real terms. An income target is set and reviewed annually. Governors regularly review the investment strategy to ensure that this meets the needs of the Group going forward.

During the year an investment income return of 4% (2023: 4%) was achieved on invested funds which are managed by UBS Wealth Management.

The Charity's investment portfolio takes a balanced approach to risk in order to deliver on both capital growth and income objectives. In the 13 months to 31 August 2024, the portfolio returned 16% due to positive performance in the stock market.

Investment Policy

The overall investment policy of the governors is to maintain a well-balanced portfolio of investments covering a spread of equities, gilts and properties to meet the needs of the Charity in terms of both capital growth and income. This policy is not restricted by ethical or other considerations; however, this is currently under review.

Fundraising Practice

During the period, the Charity has sought to raise funds from the wider school community. The Development Office, pupils, alumni and Head have approached parents, alumni and other individuals connected to the Charity to seek donations towards the Charity's development plans. The Charity had the assistance of professional fundraisers in managing a telephone fundraising campaign, however all callers were alumni of the College.

The Charity always aims to follow best practice in fundraising, and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charity Commission, The Fundraising Regulator, The Institute of Fundraising and The Information Commissioner's office. The Charity is registered with the Fundraising Regulator and adheres voluntarily to the Regulator's Code of Fundraising Practice. We have procedures in place to protect potentially vulnerable donors. E.g. donors sign a pledge agreement for

donations greater than £10k to ensure they are aware of what they are doing, and we have a cooling off period before accepting large donations.

There have been no complaints with regards to fundraising in the year (2023: none).

Reserves Policy

The Charity's Reserves Policy is to maintain sufficient unrestricted reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, and to rely on the readily realisable investments of the Charity's unrestricted reserves for that purpose. The Charity will apply from time to time to the Charity Commission to liquidate restricted or endowed reserves as adequate cover for the Charity's longer-term capital expenditure commitments and any longer-term financial obligations.

At 31 August 2024, the Charity had total reserves of £32,593k (2023: £31,568k).

Of these reserves £2,082k (2023: £1,538k) are restricted and can only be utilised in accordance with the wishes of the donor. The majority of these funds provide income for bursaries, scholarships, prizes and other specific purposes outlined by the donor in a specific deed or their will.

In addition, the Charity had permanently endowed funds of £12,524k (2023: £12,215k) at 31 August 2024. Endowment Funds originate from a Scheme made by the Charity Commission in 1869 under the Endowed Schools Act 1869. These endowed funds again provide income for scholarships and bursaries and other charitable activities but if the Charity wishes to expend capital contained in these funds the trustees may need to seek Charity Commission approval depending on the nature of the proposed expenditure.

The balance of reserves of £17,987k is unrestricted (2023: £17,815). The Charity had not designated any of these unrestricted reserves for a particular purpose at 31 August 2024.

The trustees consider that the Charity holds a sufficient level of unrestricted reserves to meet its short-term financial obligations. At 31 August 2024 unrestricted listed investments were £4,272k (2023: £3,889k) and unrestricted net current assets were £9,209k (2023: £4,528k). The trustees consider this is sufficient to enable all aspects of the Charity's work to be conducted in an orderly and efficient manner and to provide cover for unexpected but unavoidable items of expenditure which cannot be funded from current income.



Mr Paul Durgan

On behalf of the trustees

Date: 20 June 2025

Statement of Trustee's Responsibilities

The governors are responsible for preparing the Trustee's Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales 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 Charity and Group and of the incoming resources and application of resources of the Group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report

To the Trustee of St Dunstan's Educational Foundation

Opinion

We have audited the financial statements of St Dunstan's Educational Foundation (the 'parent charity') and its subsidiary (the 'group') for the 13-month period ended 31 August 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and charity's affairs as at 31 August 2024 and of their incoming resources and application of resources for the period 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee'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 or parent charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustee's Report; or
- Sufficient accounting records have not been kept by the parent charity; or
- The parent charity financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's responsibilities set out on page 16, the trustee is 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 trustee determines 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 trustee is responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the group or parent charity 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of noncompliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operate in and how the group and parent charity is complying with the legal and regulatory framework
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with tax authorities and evaluating any advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping

Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the risk of fraud in revenue recognition, as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to sample testing income, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://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 charity's trustee as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
100 Avebury Boulevard
Milton Keynes
BUCKINGHAMSHIRE
MK9 1FH

Date: 24 June 2025

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Financial Statements

Consolidated Statement of Financial Activities

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 13 months to 31 August 2024	Total 12 months to 31 July 2023
		£k	£k	£k	£k	£k
Income						
Donations and Legacies	5	13	844	-	857	777
Charitable activities						
School fees receivable	2	21,146	(194)	-	20,952	18,947
Other educational income	3	921	-	-	921	842
Other ancillary income	3	240	-	-	240	147
Profit on disposal of property		663	-	-	663	-
Other trading activities		940	-	-	940	813
Investments	4	529	32	-	561	417
Total income		24,452	682	-	25,134	21,943
Expenditure						
Cost of raising funds	7	(1,864)	(18)	-	(1,882)	(1,604)
Charitable activities						
School operating costs	7	(21,825)	(147)	-	(21,972)	(17,998)
Total expenditure		(23,689)	(165)	-	(23,854)	(19,602)
Net income before tax	8	763	517	-	1,280	2,341
Taxation for the year		-	-	-	-	-
Net income after tax before investment gains/(losses)	8	763	517	-	1,280	2,341
Gains/(losses) on investment assets	11	383	27	390	800	(936)
(Loss)/gain on hedging instrument for loan		(1,037)	-	-	(1,037)	1,688
Net income		109	544	390	1,043	3,093
Transfers between funds	18	81	-	(81)	-	-
Remeasurement of defined benefit pension scheme	23	(22)	-	-	(22)	71
Movement in funds		168	544	309	1,021	3,164
Reconciliation of funds						
Funds brought forward at 1 August 2023		17,815	1,538	12,215	31,568	28,404
Funds carried forward at 31 August 2024		17,983	2,082	12,524	32,589	31,568

Balance Sheets

Notes	Consolidated		Charity	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£k	£k	£k	£k
Fixed assets				
Tangible fixed assets	10	34,924	35,711	34,924
Investments	11,12	11,255	9,779	11,255
		46,179	45,490	46,179
Current Assets				
Stock		6	4	1
Debtors due within one year	14	5,332	1,139	5,485
Debtors due after more than one year	14	1,931	2,967	1,931
Cash at bank and in hand	13	17,638	7,111	17,366
		24,907	11,221	24,783
Creditors				
Amounts falling due within one year	15	(14,861)	(5,745)	(14,733)
		10,046	5,476	10,050
Net current assets		10,046	5,476	5,476
Total assets less current liabilities		56,225	50,966	56,229
Creditors:				
Amounts falling due after one year	15	(23,000)	(18,731)	(23,000)
Net assets excluding pension liability		33,225	32,235	33,229
Defined benefit pension scheme liability	23	(636)	(667)	(636)
Total net assets		32,589	31,568	32,593
Funds				
Unrestricted		17,983	17,815	17,987
Restricted		2,082	1,538	2,082
Endowment		12,524	12,215	12,524
Total funds	17, 18	32,589	31,568	32,593

Approved by the Trustees on 20 June 2025 and signed on their behalf by:



Mr Paul Durgan
Chair of Trustees

Statement of Cash Flows

Note	Consolidated		Charity	
	13 months to 31 August 2024	12 months to 31 July 2023	13 months to 31 August 2024	12 months to 31 July 2023
	£k	£k	£k	£k
Cashflows from operating activities:				
Net cash provided by operating activities	11,782	3,766	11,807	3,718
Cashflows from investing activities:				
Dividends, interest and rents from investments	561	417	561	417
Proceeds from the sale of property, plant and equipment	724	6	724	6
Purchase of property, plant and equipment	10 (898)	(347)	(898)	(347)
Proceeds from sale of investments	11 83	75	83	75
Purchase of investments	11 (759)	(68)	(759)	(68)
Net cash used in investing activities	(289)	83	(289)	83
Cashflows from financing activities:				
Repayment of bank loan	(1,000)	(1,000)	(1,000)	(1,000)
Interest on bank loan	34	35	34	35
Net cash provided by financing activities	(966)	(965)	(966)	(965)
Change in cash and cash equivalents in the reporting period	10,527	2,884	10,552	2,836
Cash and cash equivalents at the beginning of the reporting period	7,111	4,227	6,815	3,979
Cash and cash equivalents at the end of the reporting period	17,638	7,111	17,367	6,815

	13 months to 31 August 2024	12 months to 31 July 2023	13 months to 31 August 2024	12 months to 31 July 2023
	£k	£k	£k	£k
a) Reconciliation of net income to net cashflow from operating activities				
Net income for the reporting period (as per the statement of financial activities)	1,021	3,164	1,026	3,163
Adjustments for:				
Depreciation charges	10 1,577	1,461	1,577	1,461
(Gains)/losses on investments	(800)	936	(800)	936
Dividends, interest and rents from investments	(561)	(417)	(561)	(417)
(Profit)/Loss on the sale/write off of fixed assets	10 (617)	22	(617)	22
(Increase)/decrease in stocks	(2)	8	(1)	6
Increase in debtors	14 (4,193)	(119)	(4,205)	(161)
Increase/(decrease) in creditors	15 14,351	529	14,382	526
Decrease/(increase) in loan hedging instrument asset	14 1,037	(1,688)	1,037	(1,688)
Decrease in defined benefit pension scheme liability	(31)	(130)	(31)	(130)
Net cash provided by operating activities	11,782	3,766	11,807	3,718

	13 months to 31 August 2024	12 months to 31 July 2023	13 months to 31 August 2024	12 months to 31 July 2023
	£k	£k	£k	£k
b) Analysis of cash and cash equivalents				
Cash in hand	17,638	7,111	17,366	6,815
Total cash and cash equivalents	17,638	7,111	17,366	6,815

Accounting Policies

Basis of Preparation

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £k, unless noted otherwise.

The financial statements have been prepared, using the historical cost convention modified to include certain financial instruments at their fair value as explained in the relevant accounting policy. The principal accounting policies adopted are set out below.

Assessment of Going Concern

Detailed three-year financial modelling and scenario analysis has been performed demonstrating that the business of the Group and Charity has sufficient cash and is able to meet the financial covenants within the Group's loan facility for at least 12 months following the signing of these financial statements. Scenarios considered included the loss of pupil numbers and reduction in the recoverability of fees. Key assumptions made in this scenario analysis included the ability to generate cash through the sale of the Group's unrestricted investments. In longer term projections the business expects to achieve greater surpluses which will be reinvested in improving facilities in the medium and long term. Demand for places at the College is currently strong, although there is risk that take up may be lower than forecast due to the impact that the implementation of VAT on school fees may have on parents' ability to continue to fund schooling.

On 31 December 2024 the trade, un-endowed assets and liabilities of St Dunstan's Educational Foundation were transferred to St Dunstan's Education Group. Therefore, from this date the only assets remaining in St Dunstan's Educational Foundation are the endowed assets, and the Charity no longer trades. However, it is considered to be a going concern as it

is required to continue to exist to hold the endowed assets and related income/expenditure for the foreseeable future.

Group Financial Statements

The financial statements consolidate the results of the Group and its wholly owned subsidiary, SDEG Enterprises Limited, on a line-by-line basis. The Group has taken advantage of the concession offered not to present a separate Statement of Financial Activities for the Group as a standalone entity.

Income Recognition

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other remissions allowed by the College, but include contributions received from the Group and other sources.

Grants receivable for specific purposes are accounted for as restricted funds. Transfers are made from those funds to offset depreciation.

Interest Receivable

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

Donations

Donations received for the general purposes of the Group are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital. The accounts of the Group include the funds which are under the direct control of the governors.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenditure of the wholly owned trading subsidiary, SDEG Enterprises Limited in running a leisure club, a commercial nursery and a lettings business as well as the Group's financing and fundraising costs.
- Expenditure on charitable activities includes all expenditure in running a school and in particular teaching, premises and welfare costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Scholarships and bursaries are charged to expenditure in the period to which they relate.

Allocation of Support Costs

Support costs are those functions that assist the work of the Group but do not directly deliver charitable activities. Support costs include all administrative and governance costs which support the Group's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

Operating Leases

Rentals payable are charged on a straight line basis over the lease term.

Tangible Fixed Assets

Capitalisation and replacement

The original College land and buildings are carried at the value of property in June 1994 as valued by a professional adviser. In accordance with the transitional provisions of FRS102, this

valuation has not been updated. Additions and improvements to the property since 1994 representing enhancements in value are stated at cost. The College is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred.

In the Group items costing less than £5,000 are written off as an expense as acquired. The capitalisation threshold within SDEG Enterprises Limited is £500.

Where additions and improvements are under construction on permanently endowed land these are included within endowed funds.

Interest costs directly attributable to the financing of tangible fixed assets are capitalised at the cost of the related borrowings until the point of completion.

Depreciation

Depreciation is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

	Years
Buildings	50
Improvements and extensions	10-50
Furniture and equipment	3-25
Motor vehicles	5

No depreciation is provided on freehold land or the original College buildings.

Depreciation for assets under construction does not commence until they are completed and come into use by the School.

Stock

Stock is included at the lower of cost or net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Cash at Bank and In Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

Creditors and Provisions

Creditors and provisions are recognised where the Group 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 trade discounts due.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statement of Financial Activities.

Financial Instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities or assets according to the substance of the contractual arrangements entered into.

Fixed asset investments

Fixed asset investments are initially measured at transaction price. Transaction price includes transaction costs, except where investments are measured at fair value through the Statement of Financial Activities when transaction costs are expensed to the Statement of Financial Activities as incurred.

The fair value of investments quoted on a recognised stock exchange are measured at market value through the Statement of Financial Activities. Realised and unrealised gains and losses are calculated by reference to the market valuation of the relevant investments at the start of the financial year.

Investment properties are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue cost or effort. The fair value is based on similar properties in a comparable location, and assumes they continued to be used in the same way as currently. Changes in fair value are recognised in the Statement of Financial Activities.

Fee, trade and other debtors

Fee, trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment for trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the Statement of Financial Activities.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised costs, being transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Advance fee scheme

Advance fee discounts are charged to finance costs as required by FRS 102 and included within the gross fees reflected in the financial statements.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified when the obligation specified in the contract is discharged cancelled or expires.

Pension Contributions

1. Teachers' Pension Scheme

Retirement benefits to eligible employees of the Group are provided by The Teachers' Pension Scheme (TPS). This is a defined benefit scheme, which is externally funded. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method. It is closed to new members.

2. Group personal pension scheme – Phoenix

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme. It is closed to new members.

3. Independent Schools Pension Scheme – defined benefit

This is a defined benefit scheme managed by TPT Retirement Solutions. Employer contributions are charged to the Statement of Financial Activities as they become payable. The contributions are determined by qualified actuaries on the basis of triennial valuations. It is closed to new members.

4. Aviva Pension Trust for Independent Schools (APTIS) – defined contribution scheme

Contributions are charged to the Statement of Financial Activities as they become payable.

5. Independent Schools Pension Scheme – defined contribution

The Group has a fifth pension scheme for all employees who are not entitled to or who have not opted to join one of the other schemes. Contributions are charged to the Statement of Financial Activities as they become payable.

Reserves

The Group has permanently endowed funds, restricted funds and unrestricted funds. Restricted funds are separately accounted for in accordance with the terms of the originating deeds and documentation. In March 2007 the then trustees received confirmation from leading Counsel that all original land and buildings, given to the Charity in 1888 and additions thereto, were permanently endowed.

Taxation

St Dunstan's Educational Foundation is a registered charity and as such its income and gains falling within Sections 518 to 564 of the Income Taxes Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income tax and capital gains tax to the extent that they are applied to its charitable objectives.

Agency Arrangement

The Group has an arrangement with the Friends of St Dunstan's College (FSDC) to make payments and receipts on its behalf. FSDC is a formally constituted grouping of parents who arrange social and charitable events for the benefit of pupils of the College. The Group includes funds held at the year-end within its financial statements as the sums involved are not material.

Critical Accounting Estimates and Areas of Judgement

In the application of the Group's accounting policies the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects more than one period.

There are not considered to be any significant estimates or assumptions that might materially affect the financial statements.

Notes to the Financial Statements

1. Financial performance of the Group

The Consolidated Statement of Financial Activities includes the results of the Group's wholly owned trading subsidiary, SDEG Enterprises Limited.

SDEG Enterprises Limited gift aids any distributable surpluses to the Group as shown in Note 6 and the gift aid is included within the Statement of Financial Activities (SOFA) for the Group. The standalone SOFA for the Group has therefore not been included.

2. School fees receivable

	13 months to 31 August 2024 £k	12 months to 31 July 2023 £k
Fees receivable consist of:		
Gross fees	23,284	21,043
Less scholarships, bursaries and other remissions	(2,332)	(2,096)
	20,952	18,947

£194k (2023: £180k) was contributed towards bursaries and scholarships from restricted funds. This is shown in brackets in the restricted funds column of the Statement of Financial Activities.

3. Other income

Other income

	13 months to 31 August 2024 £k	12 months to 31 July 2023 £k
Other educational income		
Entrance and registration fees	97	101
Examination fees	105	95
After school care	146	86
Other income from pupils	573	560
	921	842

	13 months to 31 August 2024 £k	12 months to 31 July 2023 £k
Other ancillary income		
Tuck shop and sixth form café	54	57
Pupil transport to school	42	53
Rental income (tangible fixed asset)	12	35
Other ancillary income	132	2
	240	147

All other income is unrestricted.

4. Investment income

Investment Income

	13 months to August 2024			12 months to July 2023		
	Unrestricted £k	Restricted £k	Total £k	Unrestricted £k	Restricted £k	Total £k
Interest receivable	108	1	109	50	-	50
Rental income (investment property)	46	-	46	57	-	57
Listed investments	375	31	406	295	15	310
	529	32	561	402	15	417

All income from listed investments arises from stocks acquired through a UK Stock Exchange.

5. Voluntary income

Voluntary Income

	13 months to August 2024			12 months to July 2023		
	Unrestricted £k	Restricted £k	Total £k	Unrestricted £k	Restricted £k	Total £k
Donations	13	787	800	50	163	213
Legacies	-	57	57	-	564	564
	13	844	857	50	727	777

Income shown as legacies includes income derived from a trust created by a former pupil in his will. This income is from a commercial property administered by a Board of Trustees. In the year to 31 July 2023 a restricted legacy was also received to support student bursaries. In period to 31 August 2024 the St Dunstan's College Benevolent Fund (Charity number:269748) merged with the Foundation. £596k is included within restricted donations in relation to this.

6. Income from trading activities

The wholly owned trading subsidiary, SDEG Enterprises Limited, is incorporated in England and Wales (company number 04396837) and distributes all its distributable profits to the charity under gift aid.

The summary financial performance of the subsidiary alone is:

	13 months to 31 August 2024 £k	12 months to 31 July 2023 £k
Turnover	1,090	907
Cost of sales and administration costs	(783)	(630)
Operating profit	307	277
Taxation for year	-	-
Net profit	307	277
Distribution to the charity	(308)	(276)
Retained in subsidiary	(1)	1
The assets and liabilities of the subsidiary were:		
Fixed assets	-	-
Current assets	427	524
Current liabilities	(428)	(523)
Net assets	(1)	1
Aggregate share capital and reserves	(1)	1

7. Analysis of Expenditure

	Staff costs £k	Other Costs £k	Depreciation £k	13 months to August 2024 £k	12 months to July 2023 £k
Expenditure on:					
Cost of raising funds					
Fundraising	96	86	-	182	98
Leisure club and lettings	573	188	-	761	612
Financing costs	-	912	-	912	876
Investment management fees	-	27	-	27	18
	669	1,213	-	1,882	1,604
Charitable activities					
School operating costs					
Teaching costs	10,535	1,588	7	12,130	10,571
Welfare costs	-	1,485	-	1,485	1,395
Premises costs	652	2,207	1,570	4,429	3,402
Governance and support costs	1,924	1,999	-	3,923	2,625
Donations and prizes	-	5	-	5	5
	13,111	7,284	1,577	21,972	17,998
Total expenditure	13,780	8,497	1,577	23,854	19,602

Analysis of governance and support costs

Support costs have been analysed below and are included within school operating costs, as the charitable activity of the College. Governance costs include audit fees, trustee indemnity insurance, trustee expenses, legal and professional fees for constitutional matters and meeting costs.

	13 months to August 2024 £k	12 months to July 2023 £k
Support costs		
Staff and training costs	1,872	1,367
Marketing	361	161
Staff recruitment	117	111
Legal and professional fees	614	287
Pupil transport	140	91
Office costs	671	455
Governance costs		
Staff costs	63	42
Audit and other professional fees	55	82
Meeting and other governance costs	30	29
	3,923	2,625

8. Net income for the year

This is stated after charging/(crediting):

	13 months to August 2024 £k	12 months to July 2023 £k
Operating leases – equipment and temporary building	78	50
Depreciation	1,577	1,461
Governors' liability insurance	1	1
Auditor's remuneration (including VAT)		
Audit fees	55	53
Other services – Corporate tax, VAT advisory and Teachers' Pensions Audit	97	25
(Profit)/loss on disposal of fixed assets	(617)	22

9. Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	13 months to August 2024 £k	12 months to July 2023 £k
Wages and salaries	11,299	9,418
Social security costs	1,123	960
Other pension costs	1,358	1,238
	13,780	11,616

The average monthly head count was 276 staff (2023: 264) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the period was as follows:

	13 months to August 2024	12 months to July 2023	13 months to August 2024	12 months to July 2023
	Average head count	Average head count	FTE	FTE
Teaching	131	104	110	102
Teaching Support	62	90	47	48
Administrative Support	63	52	57	43
Lettings	20	18	13	13
	276	264	227	206

The key management personnel of the College were the St Dunstan's Executive Team (DET). The DET includes the Head, the Deputy Head Pastoral, the Deputy Head Academic, Head of the Junior School, Chief Operating Officer, Chief People Officer and Chief Financial Officer. Their total remuneration including pensions, employer national insurance contributions and accommodation amounted to £1,029k (2023: £821k) in this financial period. The Head's benefits include accommodation in a Charity property and associated living expenses.

The number of employees whose annual equivalent emoluments (including accommodation, excluding employers' pension contributions) exceeded £60,000 during the period were:

	13 months to August 2024	12 months to July 2023
	Number	Number
£60,001 to £70,000	24	10
£70,001 to £80,000	13	4
£80,001 to £90,000	4	2
£90,001 to £100,000	-	2
£100,001 to £110,000	4	-
£110,001 to £120,000	1	-
£170,001 to £180,000	-	1
£190,001 to £200,000	1	-

The SORP requires disclosure of employee emoluments of greater than £60,000 during the period for which financial statements are prepared. The disclosure above therefore reflects the level of emoluments over a 13 month period.

Contributions were made to the Teachers' Pension Scheme of £224k (2023: £198k) in respect of 10 (2023: 11) of the employees reflected above (see note 22). Higher-paid employees are members of the Independent Schools Pension Scheme - defined contribution scheme (see note 22). Contributions to this scheme during the period amounted to £64k (2023: £61k) for these higher paid employees. One (2023: 1) higher-paid employee is a member of the Independent Schools Pension Scheme - defined benefit scheme (see note 23). Contributions to this scheme during the year amounted to £2k (2023: £9k).

Neither the governors nor persons connected with them received any remuneration or other benefits from the Charity or any connected organisation.

The expenses of the governors were as follows:

	13 months to August 2024	12 months to July 2023
	£	£
Expenses to attend meetings (including annual conference)	247	345
2024: 6 (2023: 6)		
Catering provided at meetings	1,269	945

10. Tangible fixed assets

Group and Charity	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
Cost or valuation					
1 August 2023	42,631	180	4,665	33	47,509
Additions	562	-	259	77	898
Disposals	(61)	-	(1,592)	(13)	(1,666)
31 August 2024	43,132	180	3,332	97	46,741
Depreciation					
1 August 2023	8,581	155	3,062	-	11,798
Charge for the period	1,213	7	357	-	1,577
Released on disposal	-	-	(1,558)	-	(1,558)
31 August 2024	9,794	162	1,861	-	11,817
Net book values					
31 July 2023	34,050	25	1,603	33	35,711
31 August 2024	33,338	18	1,471	97	34,924

The value of freehold land and buildings in relation to the main College building is £1,700k (valued by Savills, Chartered Surveyors 27 April 1994).

The freehold land and buildings were valued at open market value on an existing use basis. The historical cost information in relation to these buildings is not available. The trustee has considered the holding value of the fixed assets stated above on implementing FRS 102 and consider the values stated above remain appropriate taking in to account the educational activities of the Charity.

Included in Land and Buildings is freehold land valued at £1,502k (2023: £1,502k) which is not depreciated.

St Dunstan's Educational Foundation has pledged land and buildings, which had a net book value of £31,917k at 31 August 2024, to secure a bank loan with HSBC by way of a fixed charge (See Note 15b).

11. Investments

	Consolidated and Charity			
	Unrestricted £k	Restricted £k	Endowment £k	Total £k
1 August 2023	5,169	661	3,949	9,779
Additions	-	759	-	759
Disposals at opening market value	-	(83)	-	(83)
Revaluations	383	27	390	800
31 August 2024	5,552	1,364	4,339	11,255
Breakdown:				
Listed on the Stock Exchange	4,155	1,346	4,339	9,840
Property (see Note 12)	1,280	-	-	1,280
Cash held with broker	117	18	-	135
31 August 2024	5,552	1,364	4,339	11,255

The investments are registered in the name of UBS AG and managed by UBS Wealth Management on behalf of the Charity.

Historical cost of investments listed on the stock exchange is £9,123k (2023: £8,443k). See the table in Note 12 for the historical cost of the property.

There were no investments representing over five percent of the portfolio value.

Within the Foundation accounts is an investment of £1 in a subsidiary, SDEG Enterprises Limited (see Note 6). During the year this company ran the leisure club and hired out other facilities to the general public, charitable bodies, the London Borough of Lewisham and other hirers. The Charity owns 100% of the issued share capital of this company which is incorporated in the United Kingdom (see Notes 1 and 6).

12. Investment property

	Book Value at start of period £k	Book value end of period £k
Fordmill Road	730	730
Groundsman's House	550	550
	1,280	1,280

At 31 August 2024 the Group had 2 (2023: 2) investment properties: One industrial property – Fordmill Road Depot, and one residential property – the Groundsman's House. A valuation was carried out on both investment properties by Kinleigh Folkard & Hayward in January 2023.

13. Cash at bank and in hand

As at 31 August 2024 £nil (2023: £1m) of the Charity's cash balances are held as collateral to secure a bank loan with HSBC (See Note 15). This amount was held in an interest-bearing account with the interest being in favour of the Charity.

14. Debtors

Debtors due within one year

	Consolidated		Charity	
	31 August 2024 £k	31 July 2023 £k	31 August 2024 £k	31 July 2023 £k
Fee debtors	4,361	250	4,361	250
Trade debtors	105	314	48	259
Prepayments and accrued income	582	488	488	328
Amounts owed by group undertakings	284	87	588	443
	5,332	1,139	5,485	1,280

Debtors due in more than one year

	Consolidated		Charity	
	31 August 2024 £k	31 July 2023 £k	31 August 2024 £k	31 July 2023 £k
Hedging instrument for loan	1,931	2,967	1,931	2,967

15. Creditors

Creditors due within one year

	Consolidated		Charity	
	31 August 2024 £k	31 July 2023 £k	31 August 2024 £k	31 July 2023 £k
Bank loan	1,000	1,000	1,000	1,000
Fees received in advance and deposits	1,653	1,851	1,653	1,851
Trade creditors	669	288	656	257
Taxation and social security	291	291	279	271
Pensions	183	173	181	170
Accruals and deferred income	8,014	1,029	7,915	930
Other creditors	84	106	82	100
	11,894	4,738	11,766	4,579
Advance fees (See Note 16)	2,967	1,007	2,967	1,007
	14,861	5,745	14,733	5,586

Deferred income

	Consolidated		Charity	
	31 August 2024	31 July 2023	31 August 2024	31 July 2023
	£k	£k	£k	£k
Balance at 1 August 2023	221	109	130	-
Amount released to income in year	(673)	(109)	(463)	130
Amount deferred in year	8,157	221	7,957	-
Balance at 31 August 2024	7,705	221	7,624	130

Deferred income represents fee income and advance payments for school trips and events.

Creditors due after more than one year

	Consolidated and Charity	
	31 August 2024	31 July 2023
	£k	£k
Bank loan	16,066	17,032
Advance fees	6,934	1,634
Other creditors	-	65
	23,000	18,731

Bank loan

St Dunstan's Educational Foundation entered into a ten-year loan facility with HSBC in November 2019. This facility has a contractual variable interest rate linked to SONIA plus a spread adjustment plus a margin of 2.25%.

Quarterly repayments of the bank borrowings have been made as scheduled since the quarter ended 31 January 2021.

Bank borrowings are secured against the land and buildings of the Foundation (See Note 10).

The bank loan facility agreement places some restrictions on the Charity. In particular, the Charity is required to maintain prescribed interest and debt service cover ratios for the duration of the loan.

A summary of the scheduled repayments of the bank loan is shown below:

	Consolidated and Charity	
	31 August 2024	31 July 2023
	£k	£k
Over 5 years	12,250	13,250
Within 2 to 5 years	3,000	3,000
Within 1 to 2 years	1,000	1,000
	16,250	17,250
Within 1 year	1,000	1,000
	17,250	18,250

The amount owed to the bank at 31 August 2024 was £17.25 million (2023: £18.25 million). The difference between this amount and the value of the loan in the balance sheet of £184k (2023: £218k) is due to unamortised loan arrangement costs.

Hedging instrument for loan

St Dunstan's Educational Foundation is using an interest rate swap to manage its exposure to interest rate movements on its loan facility with HSBC. The Group entered into a variable to fixed interest rate swap with HSBC in December 2019. This contract swaps the variable rate of interest for a fixed rate of 1.072% plus a margin of 2.25% per annum for the period up to November 2029.

The interest rate swap was valued externally by the counterparty bank by calculating the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted SONIA rates.

Other creditors

In April 2019 the Charity entered into a 5-year agreement with Holroyd Howe to provide catering to the College.

During the 2018/19 financial year Holroyd Howe invested in an upgrade of the servery facility costing £153k and a mixer and washing machine costing a total of £16k. These were treated as fixed assets and depreciated over 10 years and 5 years respectively.

The agreement ended in July 2024 and therefore all sums have been written off in the period ended 31 August 2024.

A summary of the position regarding the release of these sums to the Statement of Financial Activities is shown below:

	31 August 2024 £k	31 July 2023 £k
Within 2 to 5 years	-	46
Within 1 to 2 years	-	19
	-	65
Within 1 year	-	19
	-	84

16. Advance fee payments

College tuition fees may be paid in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the College, advance fees will be applied as follows:

	Consolidated and Charity	
	31 August 2024 £k	31 July 2023 £k
Within more than 1 year	6,934	1,634
Within less than 1 year	2,967	1,007
	9,901	2,641
The movements during the period were:		
	31 August 2024 £k	31 July 2023 £k
1 August 2023	2,641	2,397
New contracts (less repaid)	8,370	1,523
	11,011	3,920
Amounts utilised in payment of fees to the College	(1,110)	(1,279)
31 August 2024	9,901	2,641

17. Allocation of the Group and Charity net assets

	Fixed Assets £k	Investments £k	Net Current Assets £k	Long Term Liabilities £k	Recoupment Order £k	Total £k
31 August 2024						
Consolidated						
Unrestricted funds	5,337	5,552	9,205	(23,636)	21,525	17,983
Restricted Funds	-	1,364	718	-	-	2,082
Endowment Funds	29,587	4,339	123	-	(21,525)	12,524
	34,924	11,255	10,046	(23,636)	-	32,589
Charity						
Unrestricted funds	5,337	5,552	9,209	(23,636)	21,525	17,987
Restricted Funds	-	1,364	718	-	-	2,082
Endowment Funds	29,587	4,339	123	-	(21,525)	12,524
	34,924	11,255	10,050	(23,636)	-	32,593
31 July 2023						
Consolidated						
Unrestricted funds	5,519	5,169	4,528	(19,398)	21,997	17,815
Restricted Funds	-	661	877	-	-	1,538
Endowment Funds	30,192	3,949	71	-	(21,997)	12,215
	35,711	9,779	5,476	(19,398)	-	31,568
Charity						
Unrestricted funds	5,519	5,169	4,528	(19,398)	21,997	17,815
Restricted Funds	-	661	877	-	-	1,538
Endowment Funds	30,192	3,949	71	-	(21,997)	12,215
	35,711	9,779	5,476	(19,398)	-	31,568

18. Funds

Consolidated

	1 August 2023	Income	Expenditure	Realised/ unrealised gains/(losses)	Transfers	31 August 2024
	£k	£k	£k	£k	£k	£k
Unrestricted funds:	17,815	24,452	(23,689)	(676)	81	17,983
Restricted funds:						
Bursary Fund	1,081	866	-	(5)	-	1,942
Prize and Other Funds	457	(184)	(165)	32	-	140
	1,538	682	(165)	27	-	2,082
Endowed funds:						
Foundation capital	12,049	-	-	390	(81)	12,358
Legacies, prizes and other funds	166	-	-	-	-	166
	12,215	-	-	390	(81)	12,524
Total Funds	31,568	25,134	(23,854)	(259)	-	32,589

Charity

	1 August 2023	Income	Expenditure	Realised/ unrealised gains/(losses)	Transfers	31 August 2024
	£k	£k	£k	£k	£k	£k
Unrestricted funds:	17,815	23,693	(22,926)	(676)	81	17,987
Restricted funds:						
Bursary Fund	1,081	866	-	(5)	-	1,942
Prize and Other Funds	457	(184)	(165)	32	-	140
	1,538	682	(165)	27	-	2,082
Endowed funds:						
Foundation capital	12,049	-	-	390	(81)	12,358
Legacies, prizes and other funds	166	-	-	-	-	166
	12,215	-	-	390	(81)	12,524
Total Funds	31,568	24,375	(23,091)	(259)	-	32,593

Consolidated

	1 August 2022	Income	Expenditure	Realised/ unrealised gains/(losses)	Transfers	31 July 2023
	£k	£k	£k	£k	£k	£k
Unrestricted funds:	14,775	21,381	(19,557)	880	336	17,815
Restricted funds:						
Bursary Fund	266	820	-	(5)	-	1,081
Prize and Other Funds	680	(258)	(45)	80	-	457
	946	562	(45)	75	-	1,538
Endowed funds:						
Foundation capital	12,517	-	-	(132)	(336)	12,049
Legacies, prizes and other funds	166	-	-	-	-	166
	12,683	-	-	(132)	(336)	12,215
Total Funds	28,404	21,943	(19,602)	823	-	31,568

Charity	1 August 2022	Income	Expenditure	Realised/ unrealised gains/(losses)	Transfers	31 July 2023
	£k	£k	£k	£k	£k	£k
Unrestricted funds:	14,775	20,475	(18,651)	880	336	17,815
Restricted funds:						
Bursary Fund	266	820	-	(5)	-	1,081
Prize and Other Funds	680	(258)	(45)	80	-	457
	946	562	(45)	75	-	1,538
Endowed funds:						
Foundation capital	12,517	-	-	(132)	(336)	12,049
Legacies, prizes and other funds	166	-	-	-	-	166
	12,683	-	-	(132)	(336)	12,215
Total Funds	28,404	21,037	(18,696)	823	-	31,568

A brief description of the funds is set out below:

Unrestricted funds

Unrestricted reserves represent the accumulated surpluses generated by the College and its wholly owned trading subsidiary, SDEG Enterprises Limited during their period of operation.

Restricted funds

The Charity has a significant number of restricted funds which have arisen since St Dunstan's College opened in 1888.

The largest of these funds are as follows:

Bursary Fund

This fund arises from appeals to fund awards made to boys and girls attending the school. The income of this fund is utilised to fund such awards and the capital is invested to generate income.

Prizes and Other funds

These are funds which have been given to the Foundation over many years for specific purposes and are utilised in accordance with the donor's wishes. The largest of these funds is the Heaton Caffin Fund which is a legacy given by a former pupil of the school which gives the income arising from a local commercial property through a Will Trust to the Foundation on an annual basis. The annual income is circa £60k and is to be utilised to further British exports (70%) and team games (30%) or in a manner determined by the trustees.

Most other funds in this category are specific prize funds, bursary or scholarship funds of a specific nature.

Foundation Endowment Funds

Foundation Capital

This represents the permanently endowed funds of the Foundation. These funds originate from the original endowment which was effectively given to the Foundation in 1867 and subsequently, under various Schemes of Arrangement made by the Charity Commission. These monies originate from the Parish of St Dunstan's in the East in the City of London. They are represented by an endowed investment portfolio and property. The trustees utilise these

funds to make improvements to the endowed property in accordance with the originating Schemes of Arrangement.

Legacies, Prizes and Other Funds

These are other funds given to the Foundation generally via way of legacy or bequest.

Transfers

Transfers between the various funds were as follows:

	Unrestricted funds	Restricted funds	Endowment funds	Total
Additions/disposals of endowed property	(373)	-	373	-
Depreciation of endowed property	926	-	(926)	-
Recoupment Order	(472)	-	472	-
	81	-	(81)	-

The transfers above represent:

- the value of additions to tangible fixed assets which are situated on endowed land
- the depreciation of endowed tangible fixed assets, the expense for which is transferred from unrestricted funds to endowed funds
- the sale of endowed investments to pay investment management fees
- the annual transfer to comply with the recoupment order (See Note 26)

19. Contracts and Capital Commitments

At 31 August 2024 the Group had capital commitments totalling approximately £nil (2023: £338k) in relation to the refurbishment of property.

20. Operating leases

	31 August 2024 £k	31 July 2023 £k
As lessee - equipment and minibus		
Amounts due:		
Within one year	78	50
Between two and five years	111	45
	189	95
As lessor - rent on Fordmill Road depot		
Amounts due:		
Within one year	21	42
Between two and five years	-	42
	21	84

The rent received as lessor relates to the investment property known as Fordmill Road Depot. It was let from 1 August 2020 on a five-year lease.

21. Financial instruments

The carrying amounts of the Group's financial instruments at 31 August 2024 were as follows:

	Consolidated and Charity	
	31 August 2024	31 July 2023
	£k	£k
Financial assets:		
Investments measured at fair value		
Stock market investments	9,840	8,499
Hedging Instrument for Loan	1,931	2,967
Total financial assets	11,771	11,466
Financial liabilities:		
Bank Loan	17,066	18,032
Advance fees	9,901	2,641
Total financial liabilities	26,967	20,673

22. Pension Costs

As explained in the accounting policies, the Group operates five different pension scheme arrangements.

(i) Teachers' Pension Scheme

The Group participates in the Teachers' Pension Scheme (the TPS) for some of its current teaching staff. New teaching staff can join the Aviva Pension Trust for Independent Schools (see below). The pension charge for the period includes employer contributions payable to the TPS of £864k (2023: £908k) and at the period end £110k (2023: £108k) was accrued in respect of employer and employee contributions to this scheme.

The TPS is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published on 26 October 2023. The key results of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion.
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion.
- Notional past service deficit of £39.8 billion (2016 £22 billion).
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance).

As a result of the valuation, employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

(ii) Group Personal Pension Scheme – Phoenix

Under the terms of the St Dunstan's Educational Foundation Group Personal Pension Scheme the College matches employees' contributions (at a rate of 3%, 5%, 6% or 7%) to his or her own individual policy with the Scheme provider, Phoenix AMP (formerly AMP/NPI). The Scheme was revised in the year 2000 to comply with Government legislation.

Due to poor investment returns on this type of policy, the governors decided that the Charity would allow non-teaching staff to join the Independent Schools Pension Scheme (ISPS), with effect from 1 February 2004. Most former members of the scheme have transferred to ISPS.

Employer contributions payable to the Scheme in the period amounted to £1k (2023: £1k).

(iii) Independent Schools Pension Scheme ("ISPS") Defined Benefit Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 61 non-associated 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, it 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 classified 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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

From 1 September 2022 to 30 June 2032:	£2,687,000 per annum (payable monthly and increasing by 3% on each 1 st September)
--	--

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 April 2030:	£2,387,357 per annum (payable monthly and increasing by 3% on each 1 st September)
---	--

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

Where the scheme is in deficit and where 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 that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

As at the balance sheet date there were 5 (2023: 7) active members of the Defined Benefit Scheme employed by the Charity. Employer contributions during the period excluding past deficit contributions amounted to £20k (2023: £32k).

(iv) ISPS – Defined Contribution Scheme (Auto Enrolment)

With effect from 1 April 2014 the Charity was required to enrol members of its staff not currently in a pension scheme, into a defined contribution scheme. The Charity has used the Scheme provided by ISPS to meet its obligations under the auto-enrolment regulations. During the period employers and Employee rates were set at 3% and 5% respectively, with certain employees entitled to increase their employee contributions, with matching contributions from the Charity of up to 10%. In 2014 employees of SDEG Enterprises Limited also became entitled to join the Scheme.

At the balance sheet date there were 100 (2023: 96) members active in this Scheme. During the period ended 31 August 2024 the Charity contributed £113k to this Scheme (2023: £72k).

(v) Aviva Pension Trust for Independent Schools (APTIS) – Defined Contribution Scheme

With effect from 1 September 2020 the Charity has allowed teachers to opt out of the Teacher Pensions Scheme and enrol in APTIS. The minimum employee contribution rate is 2% and the Charity will contribute between 6% (minimum) and 16% (maximum) of an employee's salary. The employee selects the employer rate between these parameters and can select to receive additional salary of up to 10%.

At the balance sheet date there were 41 (2023: 31) members active in this Scheme. During the period ended 31 August 2024 the Charity contributed £322k to this Scheme (2023: £182k).

23. Defined benefit pension scheme liability – ISPS

The Charity (as explained in Note 22) is required under FRS 102 to account for its share of the funding deficit on the ISPS valuation as identified by the 2020 valuation of this multi-employer Final Salary Scheme. The movements on this provision have been as follows:

	Consolidated and Charity	
	31 August 2024	31 July 2023
	£k	£k
1 August 2023	667	797
Interest expense	39	24
Deficit contributions paid	(92)	(83)
Impact of change in assumptions	22	(71)
31 August 2024	636	667

The above deficit contributions and provision have been calculated and provided to the Charity by TPT Retirement Solutions (formerly The Pensions Trust).

The provision and deficit contributions take into account relevant discount rates and bond yields. The recovery plan for the Scheme is aimed at eliminating the funding shortfall by 30th June 2032.

Deficit contributions from 1st September 2023 were £7,086 per month and will rise by 3% per annum.

Since the period end a new recovery plan has been agreed which will come into effect on 1 September 2025. Under this plan annual deficit recovery payments will be £178,855. They will increase by 3% pa and are payable until 31 January 2034.

24. Ultimate parent and controlling undertaking

The ultimate parent undertaking is St Dunstan's Education Group (formerly known as St Dunstan's Trustee Limited), a company limited by guarantee (company number: 14407568, charity number: 14407568). Its registered office is St Dunstan's College, Stansted Road, London, SE6 4TY.

25. Agency arrangement

The Charity has an agency arrangement with the Friends of St Dunstan's (FSDC) to hold monies on their behalf. FSDC is a committee of parents who organise social events for the benefit of pupils and parents of the school. At 31 August 2024 the College held £48k (2023: £36k). The cash is held in the Charity's bank account. This is a long standing arrangement which helps FSDC to undertake their activities which are all ultimately undertaken for the benefit of pupils of the school.

26. Charity Commission Recoupment Order

The following recoupment order is reflected in the financial statements at 31 August 2024:

Date of Order	Capital Sum £k	Amount Outstanding £k	Method of Recoupment	Last Payment Year
4 August 2020	23,413	21,525	£472k per annum for a period of 50 years	2070

The Charity Commission authorised the trustees to transfer the sum of not more than £23.6 million from the Charity's permanent endowment for the purpose of constructing the new Junior School, STEM and Sixth Form building. At 31 August 2024 the capital sum of the recoupment order is £21,525k (2023: £21,997k).

27. Analysis of change in net debt

	1 August 2023 £k	Cash flows £k	1 August 2024 £k
Consolidated			
Cash and cash equivalents			
Cash	7,111	10,527	17,638
Borrowings			
Debt due within one year	(1,019)	19	(1,000)
Debt due after one year	(17,097)	1,031	(16,066)
	(18,116)	1,050	(17,066)
	(11,005)	11,577	572
Charity			
Cash and cash equivalents			
Cash	6,815	10,551	17,366
Borrowings			
Debt due within one year	(1,019)	19	(1,000)
Debt due after one year	(17,097)	1,031	(16,066)
	(18,116)	1,050	(17,066)
	(11,301)	11,601	300

28. Post balance sheet event

On 31 December 2024 the un-endowed assets, undertakings and liabilities of the Charity, including the shares in SDEG Enterprises Limited, were transferred to St Dunstan's Education Group (Company number: 14407568, Charity number: 1208941). The Charity continues to hold the endowed assets.

Since 31 December 2024, the Charity's corporate trustee has been, St Dunstan's Education Foundation Trustee Limited (Company number: 15910649). The ultimate parent remains as St Dunstan's Education Group.

Accounts



St Dunstan's
EDUCATIONAL
FOUNDATION



ST DUNSTAN'S COLLEGE

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED JULY 2023



Contents

TRUSTEE’S REPORT

Principal Addresses and Advisers	3
Chair of Governors’ Foreword	4
Head’s Foreword	5
Structure, Governance and Management	6
Aim of the Foundation	10
The St Dunstan’s Difference	11
Our Strategy 2030	12
Academic Achievement	14
Co-curricular Activities	15
Pastoral Care and Wellbeing	16
Bursaries and Scholarships	17
ISI Inspection Report	18
Equality and Diversity	19
Charity, Community and Partnerships	20
Partnerships	21
Community Engagement and Events	23
Sustainability	24
Dunstonian Relations	25
Financial Review	26

FINANCIAL STATEMENTS

Statement of Trustee’s Responsibilities	28
Auditors’ Report	29
Financial Statements	31
Accounting Policies	34
Notes to the Financial Statements	38



TRUSTEE'S REPORT

We as governors and directors of the Corporate Trustee of the Charity, have pleasure in presenting the annual report and financial statements of the year ended 31 July 2023. The report covers the activities of St Dunstan's Educational Foundation which owns, operates and manages St Dunstan's College and also owns College Hire Limited.

The financial statements comply with current statutory requirements and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (Second Edition, effective 1 January 2019) ('SORP').

The governors have read the Charity Commission's guidance on public benefit and have paid due regard to the guidance as is evidenced in this report.

Principal Addresses and Advisors

ADDRESS AND CHARITY NUMBER

St Dunstan's College
Stanstead Road
London SE6 4TY

CHARITY REGISTRATION NO: 312747

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AUDITOR

RSM UK Audit LLP
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Milton Keynes
BUCKINGHAMSHIRE
MK9 1BP

Chair of Governors' Foreword



On behalf of the Governing Body, I am delighted to submit the annual review for 2022-23.

It has been another extremely productive year for the students and staff at St Dunstan's, concluding with some exceptional outcomes in public examinations. At A level, 86% of all grades achieved were A*-B, 58% were A*- A and 22% were A*, and at GCSE 86% of all grades were 9-6, with 68% of grades being 9-7. In both cases these results represent the best ever outcomes for our students when compared with examinations pre-Covid. It is testament to the hard work of those students and their teachers to have produced such outstanding results across a diverse range of subjects and we congratulate them all on these achievements.

Given the current economic climate it remains a priority to do all that we can to enable access to our education and facilities. As a values-rooted organisation we believe in a broader educational purpose that supports the ongoing aspirations for the betterment of Lewisham and its residents. We are proud of our place in the community, and are always looking to do more to work in partnership with state-sector colleagues and to improve educational provision for all. Our links with Bonus Pastor and Conisborough College have developed strongly over the last few years with particularly fruitful partnerships in music and drama. We are also committed to making a difference in the Borough of Lewisham through a wide range of community partnerships, full details of which can be found in the pages of this report. Our 'Help Shape Young Lives' campaign has been instrumental in boosting our scholarship and bursary programme to such an extent that this year for the first time we were able to offer places on a needs blind basis.

In terms of governance, this was a year of considerable change for St Dunstan's. Rosemead Preparatory School joining the

St Dunstan's Group presented the opportunity to think afresh about our structure and with that in mind we created St Dunstan's Trustee Ltd, an umbrella company that oversees the work of both St Dunstan's Educational Foundation and Thurlow Educational Trust, and holds the St Dunstan's Executive Team to account in the fulfilment of its agreed strategic priorities. We have said goodbye to four governors this year and I take this opportunity to thank Linda Kiernan, Victoria Alexander, Ken Marshall and Di Robertshaw for their many years of service to the Board. We also welcomed four new governors. Tom Shave, Nick Crawford, Aman Bhandari and Mieke van Hemelrijck are all welcome additions to the Board bringing experience and expertise respectively in finance, digital media, medicine and higher education. However, the year ended on a very sad note following the death of our Deputy Chair of Governors, Ian Davenport. Ian was a Dunstonian through and through, having been educated at the College as a pupil before placing his own children at the school in turn. As a governor for many years, and latterly as Deputy Chair to the Board, Ian was one of the most steadfast and committed supporters of the College and wider Foundation of St Dunstan's. He will be hugely missed by us all.

I would like to thank my fellow Governors for their ongoing support and commitment, and the executive and the whole community for everything that has been achieved this year. We look forward to another successful year ahead.



Paul Durgan
Chair of Governors

Head's Foreword



We began and ended this year as an award-winning school. Last summer we came back buoyant, having been awarded Senior School of the Year 2022 by the TES, and we were then subsequently awarded Most Progressive Independent School in London by the Private Education Awards. Such accolades are testament to the hard work of so many over the years. A collective endeavour that has created such a unique and compelling school culture. A culture that unleashes the potential of independent education by thinking differently about what we are educating for and how we can ensure there is a future for private education in modern society.

However, it would be naïve to ignore the various political and economic headwinds that are coming our way, and we remain alert and ready to manage such challenges as come our way. Our commitment to widening access to our educational offer remains resolutely at the forefront of our strategy as we continue to push forward our bursary campaign. It was a particular pleasure to host a reception for all donors at the Mansion House following Commemoration Day this year. I am delighted to report that, in total, we have raised just under £1 million since January 2020 for our 'Help Change Young Lives' campaign. We have also continued to expand our community partnerships programme, further details of which can be found in this report.

At the start of 2023, we were delighted to announce that Rosemead Preparatory School would be joining the St Dunstan's Group. Bringing Rosemead into our community has been a great joy and feels increasingly as if it is a natural extension of our ethos and culture, as well as offering us greater resilience to stare down some of the challenges to come.

There is certainly no doubt that St Dunstan's continues to plough a unique and compelling furrow, attracting attention for its forward-thinking and progressive approach to education, which has been covered a number of times in the national media this year, including our work on tackling the teenage porn crisis and challenging toxic representations of masculinity and associated online influencers.

I have been very touched by the demand shown for an education at St Dunstan's, as we seek to remain true to the aims of our founders to innovate and be ahead of its current time.

A handwritten signature in black ink, appearing to read 'Nick Hewlett', written over a light grey rectangular background.

Nick Hewlett
Head

Structure, Governance and Management

GOVERNORS 2023

On 25 January 2023, St Dunstan's Trustee Limited (company number 14407568) became the single corporate trustee of St Dunstan's Educational Foundation. (See Note 24 of the Financial Statements). The directors of St Dunstan's Trustee Limited as at the date of signing 22 March 2024 are:

GOVERNOR	COMMITTEE	APPOINTED	RESIGNED
Mr Paul Durgan	Chair Chair of Leadership & Governance (L&G)	10 October 2022	
Dr Yvonne Burne OBE	Chair of Education Committee (EC) L&G	10 October 2022	
Mr Navdeep Sheera	Deputy Chair Chair of Finance & Resource Committee (FRC) L&G	10 October 2022	
Dr Andrew Cairns	EC	10 October 2022	
Mr Shams Rahman	FRC, L&G	10 October 2022	
Mr Jonathan Ronan	EC	10 October 2022	
Mr David Probert	FRC	9 December 2022	
Mr Thomas Shave	FRC, L&G	24 March 2023	
Professor Mieke Van Hemelrijck	EC	24 March 2023	
Mr Rishi Boyjoonauth		22 March 2024	
Mr David Edward Enzor		22 March 2024	
Mrs Victoria Alexander		10 October 2022	23 June 2023
Mr Ian Davenport		10 October 2022	26 July 2023
Mrs Linda Kiernan		10 October 2022	31 December 2022
The Rev'd Katherine Hedderly	EC	9 December 2022	14 April 2024
Mrs Rosalind Meredith		9 December 2022	30 October 2023
Mr Aman Bhandari		24 March 2023	8 December 2023
Mr Nicholas Crawford		24 March 2023	8 December 2023

Structure, Governance and Management

EXECUTIVE STAFF

The management team is known as the St Dunstan's Executive Team (DET) and comprised:

Mr Nick Hewlett	Head
Miss Laura Whitwood	Head of the Junior School
Mr Jonathan Holmes	Deputy Head Academic
Mrs Jade McLellan	Deputy Head Pastoral
Mr Graeme McCafferty	Head of Rosemead Preparatory School and Nursery
Mrs Saffron Hutt	Chief Operating Officer
Ms Hannah Fox	Chief Finance Officer (appointed 6 January 2023)
Ms Michelle Punt	Chief People Officer (appointed 6 January 2023)

The St Dunstan's Executive Team and the Clerk to Governors attend all full Governing Body meetings and all Committee meetings, as well as any sub-committees or panels as required. Other senior staff members from across the College are invited to attend relevant governors' meetings as and when necessary.





Structure, Governance and Management - The Governing Body

HISTORY AND CONSTITUTION

St Dunstan's Educational Foundation is an unincorporated charity, established by a Principal Scheme in 1883.

In 1888, St Dunstan's College opened in Catford, as an independent school, with an innovative and radical technical curriculum and heuristic pedagogical framework. From the outset it was determined to be a progressive school, challenging educational convention and, through its motto, 'albam exorna', celebrating individuality and diversity. St Dunstan's College was also founded as an accessible school, supporting families from a range of different socio-economic backgrounds.

THE GOVERNING BODY

From September 2022 to January 2023 the Governing Body of St Dunstan's Educational Foundation consisted of 17 Governors, who were jointly and severally responsible for the oversight of the Charity and served as its Trustees. The Board included two ex-officio governors, these being the Alderman of the Ward of Tower in the City of London, and two of the four Churchwardens of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East. There were a further two governors appointed by the Parochial Church Council of All Hallows by the Tower with St Dunstan-in-the-East. The remaining twelve governors were co-opted governors.

In January 2023, the Governing Body of St Dunstan's Educational Foundation established St Dunstan's Trustee Ltd. as a sole corporate trustee to the Charity, and its Board of Directors assumed the role of Governors, both to St Dunstan's Educational Foundation and also to Thurlow Educational Trust (trading as Rosemead Preparatory School). With this change came some changes to the Scheme and associated personnel of the Governing Body, namely:

1. The removal of the two ex-officio Churchwardens
2. The removal of the two governors appointed by the PCC of All Hallows by the Tower with St Dunstan-in-the-East.
3. The inclusion of the incumbent of All Hallows by the Tower as an ex-officio governor

In addition, four Directors of Thurlow Educational Trust Ltd. joined the Board of St Dunstan's Trustee Ltd.

The Board has a dedicated sub-committee to review the diversity of its makeup and to ensure that its demographic is representative of the school communities it serves, as well as to ensure that there is an appropriate mix of skills, knowledge and experience. To date, the Board has been able to recruit co-opted

governors using the wide-ranging contacts of existing governors, the executive, alumni, current parents and community partners.

APPOINTMENT OF NEW GOVERNORS

Following appointment by the Board, new governors are formally inducted by the Clerk once they have accepted their appointment. This induction involves visiting the College, meetings with and being briefed by key staff, and the provision of a substantial background information pack on the role of a director of St Dunstan's Trustee Ltd and the Board's oversight of the two charitable entities, including St Dunstan's Educational Foundation. All new governors are required to complete appropriate safeguarding checks and induction paperwork to comply with relevant policies, covenants and legislation.

All governors attend a study period once a year to receive training and presentations on key issues affecting the charities and the sector more widely, and to give them an opportunity to make decisions about the future direction and strategy of the charities. To keep up to date with developments and changing legislation, governors also attend various training days and seminars provided by the Association of Governing Bodies of Independent Schools, the Independent Schools Council, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, the Headmasters' and Headmistresses' Conference, and legal and accounting firms.

The strategic direction of the Foundation is exercised by the Governing Body. There is a joint strategic vision and framework that sits across both charitable entities. Delegated and detailed challenge and support of the various elements of the leadership and management of the College is given to the various sub-committees. All governors attend meetings of the Governing Body, which take place at least once in each school term, amounting to three meetings in any normal year. At these meetings, governors offer challenge and support to the Executive leadership, as well as make strategic decisions about the future direction of the schools and ensuring policies are being implemented effectively. The Education, Finance and Resources, and Leadership and Governance committees meet each term prior to the full Governing Body meeting, so that the Chair of each sub-committee can present a short report to the full Board. Each Committee has a nominated Chair; the Chair of the Board of Governors and the Deputy Chair currently attend each Committee along with at least four other governors. Day to day running of the charities is delegated to the Head, who chairs DET. The responsibility for complying with all charity and related regulations is delegated to the Clerk.

The school has taken out trustee indemnity insurance.

RELATED ENTITIES

The Foundation has a wholly owned subsidiary company, College Hire Limited, Company Number 04396837. College Hire Limited has a license agreement with the Foundation to promote and manage the use of the Foundation's assets and facilities when not required by the College. The Deputy Chair is the Chair of the Board of Directors of the Company, which also consists of the Chair of the Board of Directors of St Dunstan's Trustee Ltd, as well as the Head, and the Chief Finance Officer is the Company Secretary.

The Friends of St Dunstan's College contribute generously to the College. Further information is provided in note 25 of the Accounts.

RISK MANAGEMENT

The governing body is responsible for ensuring that a robust system exists for identifying, managing and evaluating risk across the Foundation and that this process is regularly reviewed. The St Dunstan's Trustee Ltd. Risk Register comprises strategic-level risks linked to the achievement of the Foundation's strategic objectives. The Risk Register is maintained by the Executive Team, who assess and manage organisational risks and agree risk owners and mitigating actions and controls. This is reported to the Full Governing Body.

A serious incident log is also maintained by the Executive. The log captures incidents across the Foundation that are considered 'one-off', potentially posing significant risk to the Charity and its reputation. Trends within this log are reviewed termly by the Executive, alongside the Complaints Log and Bullying Log, with the necessary action plans to address any trends agreed and progressed. This is also reported to the Full Governing Board.

PRINCIPAL RISKS AND UNCERTAINTIES

Governors work with the Executive to identify the main risks to the Charity, as captured in the more detailed Risk Register. At the end of 2022/23, these were identified as being:

1. Affordability of private education in the face of inflation and ongoing political and economic headwinds
2. The impact of growth on the smooth operation of the schools and our effective delivery of an outstanding educational product in all areas
3. Market changes in London and by way of societal demand for a particular type of educational product
4. Cyber-security
5. Financial leverage as a consequence of our loan and the need for further investment into the estate
6. The increasingly litigious context in which all schools operate
7. Ensuring ongoing and robust approaches to compliance and security across large estates and buildings
8. The increasingly challenging employment market and workforce shortages

Detailed plans have been drawn up and implemented to mitigate these and all other high risks identified, including but not limited to:

1. Commissioning detailed third-party market research for all schools within the group to more fully understand the market
2. Agreeing a consolidation of growth strategy
3. Rolling out a cyber-security training programme
4. Actively considering the commercial opportunities within the Estate to raise more funds.
5. A comprehensive Estate plan for building works, modifications, and enhancement of facilities
6. A comprehensive people plan for the whole organisation.
7. Active financial planning for an affordability crisis and in order to support families

MANAGEMENT BOARD AND REMUNERATION

Pay for the DET is reviewed annually by the Leadership and Governance Committee, which is made up of all the committee chairs and includes the Chair of Governors.

The Charity engages in educational benchmarking surveys and regularly monitors remuneration and benefits within the independent school sector.

Aim of the Foundation

OUR FOUNDATION

St Dunstan's Educational Foundation is an ambitious, forward-thinking community that champions individuality through a broad, liberal and academically exciting education. The Foundation's charitable objective is to provide a leading co-educational school for boys and girls in or near Lewisham, supporting and inspiring each student to find their own way, make their own mark, and discover who they are; becoming comfortable with their emerging identity and the diversity of life that surrounds them, whilst being unashamedly ambitious for themselves and their community. Pupils come from across the Lewisham and neighbouring London boroughs, and from a wide range of state and independent schools.

OUR ETHOS

Translating as 'Adorn the White', our College motto, *Albam Exorna*, is as relevant today as it was at the time of our Lewisham foundation, in 1888. The white shield that serves as three quarters of our College crest is a blank canvas onto which is emblazoned the as-yet-unwritten story of each St Dunstan's pupil.

We cherish our school of unique characters, each being encouraged to navigate their own journey through life whilst being nurtured to develop the Courage to be who they are, the Creativity to develop new ideas and approaches, the Confidence to try, succeed and fail, the Compassion to understand and appreciate others, and the Curiosity always to want to discover more.

OUR VISION

Our vision seeks to capitalise upon the rich and imaginative history of our College without being constrained by it, delivering a deliberately ambitious and forward-thinking approach to education without losing sight of the importance of supporting and inspiring individuality. St Dunstan's aspires for all our young people to thrive in every way – personally, physically, socially and academically – and the breadth of our curriculum and co-curriculum is entirely designed to support that ambition. Our community makes us who we are – our vibrant and grounded Lewisham location, our rich and inspiring history, our co-educational setting, and our eclectic Dunstonians, near and far – all of this sets the tone for a community that is particularly well positioned to embrace the range of challenge and opportunity presented by the globalised world of which we are now a part.

OUR VALUES

The values that we aspire to inculcate across our community are those of Courage, Creativity, Confidence, Compassion and Curiosity.

These values chime with the life of Saint Dunstan, an extraordinary man whose life is an inspiration to the deliberately broad and ambitious curriculum and co-curriculum we offer today, as well as our deep and sincere commitment to pastoral care and wellbeing, in its broadest possible sense.

1116

pupils attending
St Dunstan's College
Junior School and
Senior School



“

*An ambitious, forward-thinking
community that inspires and
supports individuals to thrive*

”

**The principal object of the Foundation
is to provide and conduct in or near
Lewisham, a day school for boys and girls.**



The St Dunstan's Difference

The College is proud of its heritage and for being known to think differently about education. The St Dunstan's Difference today can be defined as follows:

Trailblazing a forward-thinking independent education since 1888



Promoting high achievement without arrogance

Championing individuality, diversity and equality – albam exorna!



Developing values through a broad and liberal education

Supporting wellbeing as central to success



Growing ambitious and imaginative partnerships

Providing life-enriching opportunities to our local community



Infusing social conscience and ethical thinking

Our Strategy 2030

At the end of 2022/23, some minor changes to the strategic framework were agreed, as follows:

Our Education

Our schools work with a range of partners to be at the forefront of educational thinking, continuing to challenge convention, taking courageous educational decisions, and remaining true to a broad, liberal and values-driven education. A culture of safeguarding children underpins all we undertake.

Our Pupils – Academic & other achievements

Pupils are inspired and supported as individuals, and in such a way that enables each of them to make outstanding and measurable across a broad range of subjects and interests, making creative use of digital innovation as a key facilitator for progress.

Our Pupils – Personal development

Pupils have a strong sense of wellbeing that is rooted in being at one with who they are and the diverse environment in which they are situated. Pupils personify grounded, open-minded, articulate thinking, as active citizens of a changing global community.

Our Staff

Staff seek to work in our schools as a consequence of our purpose and vision, our unique identity and reputation, and our sincere commitment to staff voice, professional development, wellbeing, diversity and equity, all of which creates a culture of ambition, trust and transparency.

Our Alumni

Our schools celebrate a vibrant alumni body, where former pupils are engaged, proud and active ambassadors for their school, its community connections and philanthropic work.

Our Parents

Families of all means apply and remain at our schools from ever-widening catchments, because of a wholehearted belief in the distinct ethos that underpins our education. Parent satisfaction is strong, and parents and carers can be active participants in our

development and culture. Our relationship with parents and carers is rooted in integrity, underpinned by robust and clear policies and procedures, engendering trust and transparency.

Our Wider Community

We believe in a broader educational purpose that supports an aspiration for the betterment of our local communities and their residents. We know that such work entirely aligns with the educational aims we have for our pupils. Working with local partners we provide life-enhancing opportunities to local people that seek to promote social mobility, engender wellbeing and improve communities, in addition to responding with generosity to local needs and events.

Our Environment

Our schools have a clear and rolling programme of investment in their buildings and infrastructure, ensuring that we lead the way in developing an appropriate digital and physical environment for forward-thinking educational charities. We are committed to becoming a carbon-zero organisation, and we seek to set ambitious standards for sustainability.

Our Business

Our schools are underpinned by a thriving business model that ensures efficiency of expenditure and diversification of income, maximising the use of growing and impressive assets, and activity considering the expansion of our reach through mergers, acquisitions and commercial partnerships.



Our Strategy 2030

FUTURE CAPITAL PLANS

The Foundation will continue the extensive redevelopment of its estates, which in recent years has seen the opening of a £20m Junior School, STEM Centre and Sixth Form Centre. This year saw the engagement of Walters and Cohen, a specialist in school architecture to develop an Estate Masterplan. An extensive stakeholder engagement process has been undertaken and we are concurrently reviewing possible funding streams to establish how we might be able to support the delivery of our ambitious plans.

ACHIEVEMENTS

Governors are delighted that excellent progress has been made across the year in relation to the agreed strategic framework and associated KPIs. In particular, they note the following:

- Demand for a St Dunstan's Education continues to represent record levels of interest, as measured by footfall at marketing events, registrations at all entry points and acceptances.
- Intra-year and Inter-year retention of pupils has continued to exceed expectations with fewer families wanting to leave St Dunstan's within the year or at the end of the year. When this data is interrogated, we note that reasons for leaving are dominated by relocations and moves to the state sector for reasons of affordability.
- In the last 12 months, St Dunstan's has received a number of industry awards. These include Independent Senior School of the Year at the TES School Awards 2022, Most Progressive Independent School in London by the Private Education Awards 2023, Independent School of the Year at the IE Global Awards 2023, and Outstanding Fundraising Contribution at the Independent Schools of the Year Awards 2023. St Dunstan's was also nominated for Prep School of the Year and Head of the Year at the Tes Schools Awards 2023.

MEASURABLE OUTCOMES

The Foundation aims for quantifiable performance within the Key Performance Indicators (KPIs):

- Recruitment of pupils
- Retention of pupils
- Results of pupils

These KPIs are monitored regularly by the DET and Governing body. The success of these has been captured and reported on throughout this report.

Academic Achievement

A Level Results 2023
86% achieving A* - B

58% achieving A* - A

GCSE Results 2023

86% achieving 9-6

68% achieving 9-7



95%
of students secured their
preferred university choice and
course



3
Oxbridge
offers

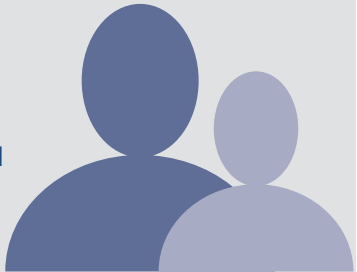
History
Psychology
PPE

100%
success rate to
Guardian Top 10 Art
Schools, multiple offers
for Conservatoires
(including the national
Jazz Scholarship to
Trinity Laban)



Most popular courses included:

Bristol (7 offers) and
Durham (5 offers),
with popular courses
including Geography,
Economics, Politics,
Computer Science, and
Medicine.



Co-curricular Activities

The Forder Programme is the name given to the College’s ambitious co-curricular programme.

In the Senior School, the Programme offers more than 200 activities across the course of any one week, representing a significant diversity of interests. The quality of art, drama, music, sport, Combined Cadet Force (CCF), Duke of Edinburgh Award Scheme and community service, as our core co-curricular areas, is deemed excellent by ISI and pupil participation is exceptionally high. The Programme is constantly evolving to represent the flavour and interests of the current students and staff and ranges from Tri Club to Amnesty, CCF to Warhammer and Music and Drama to Film Club.

In the Junior School, a similar breadth of choices is on offer, from Rugby Munchkins in Pre-Prep to British Sign Language, coding and drones and robots in the Prep.



200

activities taking place
each week in the College

“

Pupils embrace the very
busy life of the College with
enthusiasm and appear to be
energetic and well adjusted

Independent Schools Inspectorate

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Pastoral Care and Wellbeing

As a school, we strive to do more than equip our children academically for the future. Developing resilience has perhaps never been as important as it is now and our forward-thinking Usherwood pastoral programme has this aim at its heart. We focus on teaching children how to proactively manage their mental health, how to appreciate and celebrate the community's diversity, particularly neurodiversity, and how to show compassion and kindness within the St Dunstan's community and beyond. The work of our form tutors, allowing children to experience mindfulness practice or reflecting with them on good sleep hygiene is supported by the work of our state of the art Wellness Centre. This tranquil space is home to peer mentoring, counselling, and physical and mental health services.

Pastoral support is provided constantly throughout the College, in classrooms, during co-curricular activities and in the corridors. However, we are also very proud to have a dedicated Wellness Centre on our main College site. This centre provides a hub of services, including the College Nurse and healthcare team, the College Chaplaincy, two counsellors, our student Peer Mentors and our Youth Mental Health First Aiders. Additionally, the Wellness Centre provides our students with much-needed break-out space; the large, inviting reception area with its café-style seating is in near-constant use by students during break and lunch times, and offers a quiet respite space at other times.

PUBLIC BENEFIT

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences, which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy, together with our involvement in the community, contributes to a widening of access to the education we offer and the facilities we enjoy.

The College is part of a wider community, and it strives to ensure that we are fully integrated with it. A significant and growing community service programme, a range of educational benefits offered to local children and state schools, a community Summer Festival and regular review of how our facilities are best deployed for community use, out of term time, are all important features of College identity. The highlights and successes of our continued relationships with external community organisations are explained in the case studies section of this report.



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The quality of the pupils' personal development is excellent

Independent Schools Inspectorate

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Bursaries and Scholarships

St Dunstan's College continues to offer a generous scholarships and bursaries programme for Senior School students joining us at 11+ and 13+.

The Foundation awarded scholarships, bursaries and prizes to pupils to the value of £2,096k (2022: £1,743k).

BURSARIES FOR SENIOR SCHOOL PUPILS

This year the value of means tested bursaries totalled £933k (2022: £893k) and represented 5% (2022: 7.1%) of our gross school fees. Bursaries provided assistance to 69 (2022: 61) of our pupils, of which 30 (2022:18) pupils benefitted from a full remission of fees.

BURSARY POLICY

The governors view our bursary awards as important in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to families who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means, we take a number of factors into consideration including family income, investments and savings and family circumstances. However, the Foundation does not have a large endowment and in funding our awards we have to be mindful that we must ensure a 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 bursary awards range from 5% to 100% remission of fees. Further details of our bursary policy and how to apply are available on our website.



The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of all awards are also set out in note 2 to the financial statements.

SCHOLARSHIP POLICY

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed % remission of fees. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. Further details of our scholarship policy are available on our website.



Independent Schools Inspection (ISI) Report

Our most recent inspection from the Independent Schools Inspectorate (ISI) found the school to be 'excellent' in every category.

During their visit, inspectors spent time in an upwards of 90 lessons, seeing nearly every teacher at St Dunstan's. They met with teaching and non-teaching staff, and spent time with more than 100 pupils from the Nursery to the Sixth Form.

The leadership team, led by the Head, Nick Hewlett, were found to 'give every individual a chance to work out the person they want to be.'

The key findings:

- Pupils develop high levels of knowledge, skills, understanding and resilience as they move through the college.
- Pupils of all ages have outstanding attitudes to learning and are effective independent learners and thinkers.
- Pupils have outstanding communication skills and learn effectively by collaborating with their peers.
- Pupils achieve well in a wide range of curricular and co-curricular activities.
- Pupils show kindness and compassion for each other and a genuine appreciation for their community and the world beyond.
- Pupils of all ages develop strong self-understanding and self-confidence with assistance from staff who know them well and are highly supportive.
- Pupils of all ages are active and effective decision-makers.
- Pupils exhibit high standards of behaviour and moral awareness.
- Pupils' personal development is greatly enhanced by their richly diverse and inclusive community



“

Throughout the school pupils develop a wide range of academic, creative, physical and practical skills. as a result of the vision of the college's leadership team, who seek to give every individual a chance to work out the person they want to be. Pupils listen to each other carefully and with great respect from an early age and are able to value everyone's contribution to a discussion or argument and appreciate that it helps them learn

Independent Schools Inspectorate

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Equality and Diversity

The Governing Body of St Dunstan's Educational Foundation is proud of the diverse and vibrant community it leads and serves. The Board is committed to inculcating a culture of inclusion across the organisation that celebrates diversity and equality throughout all its charitable and commercial interests. This commitment is rooted in a fundamental recognition of the tremendous benefits bestowed on any organisation, and on society at large, as a consequence of championing diversity, as much as the Board recognises its obligations under the Equality Act 2010. A diverse Board that deliberately leads a culture of inclusion will produce better, more innovative decisions, furthering the organisation's reputation as a leader in equality and diversity across the Sector.

This commitment is manifest in the following ways:

1. Ensuring that the Board's membership reflects the broadest range of qualifications, skills, experiences, perspectives and the myriad of human identities essential to advancing its vision. To this end, the Leadership and Governance Committee, within the processes for identifying potential members on the Board, will search for highly skilled potential candidates who enable the Board to best reflect the diversity of the communities it serves, having particular regard to underrepresented groups, including but not limited to those represented by race, sex, disability, gender identity, gender expression and sexual orientation.
2. Ensuring that the Board's policies create an ambitious and forward-thinking framework for employees to be at one with who they are as an individual and to feel included within a diverse community that is committed to equality as defined under the Equality Act 2010. In so doing, to ensure adequate training of staff in the expectations of the organisation, its implementation of the Equality Act 2010 and ensuring best practice in recruitment, reasonable adjustments to working practices, and a culture of transparent dialogue around inclusion of all.
3. Ensuring that the Board's policies create an ambitious and forward-thinking curriculum for pupils such that they understand the meaning of the Equality Act 2010, the value of diversity in its fullest sense and are educated to understand their role in promoting a culture of inclusion and one that celebrates diversity and equality.
4. Ensuring that discrimination, in any form, will not be tolerated within the St Dunstan's community and we will be a proud and strong voice for equality, diversity and inclusion in all its forms.

St Dunstan's Diapason

St Dunstan's has a structure for diversity and equality that brings together staff and students in partnership, and drives a strategy for the enhancement of diversity and equality across the organisation, in all areas, or Pillars. The purpose of the St Dunstan's Diapason is to work with the Executive Team to ensure an ongoing strategy is in place to celebrate and promote the benefits of diversity, audit and improve diversity, and build a culture of equality for all. In so doing, The Diapason takes responsibility for building the related documents associated with this policy for recommendation to the Executive Team, and to ensure that the overarching aims of the policy are being best fulfilled for each of the interest groups.

Auditing diversity and equality

We are committed to routinely auditing our diversity as an organisation and developing an ongoing strategy for how we can improve our diversity, its celebration and the education of its value, as well as better understanding barriers to equality and how they might be more effectively overcome.



Charity, Community and Partnerships



St Dunstan's College is passionate about our vibrant and diverse community; the residents of Catford and Lewisham, our pupils and their families, the organisations with whom we share spaces and ideas, and our international links and connections across London.

We know that classroom teaching and learning forms only one part of the educational journey. Learning from and giving to others, through involvement in our wider communities, is of equal importance in shaping compassionate and confident young people who can go on to make positive choices in their pathways through life.

We also recognise our privilege as an independent school, both in terms of our facilities and our pupils and staff; it is vitally important to us that this can be of benefit to communities that extend far beyond the school gates.

Charity run for MND Association

In July, the College was delighted to reveal that Junior School pupils raised a staggering £21,875.37 for the Motor Neurone Disease Association (MND Association).

A month earlier, junior children took part in a charity run for seven hours on the school fields with the whole school taking part. Following the run, pupils were pleased to present a large cheque to the MND Association in the end of term assembly.

Speaking about the event, Junior School Teacher, Ms Morris, said: 'I would like to take the opportunity once again to thank you all for your incredible generosity in support of our MND Association charity run. Some of you may be aware that today, 7/7 has been named Rob Burrow day, so it is rather apt that a volunteer from the MND Association visited our final assembly.'

“

Pupils show compassion and kindness to each other and have a discernible appreciation for their community and the world beyond. They think deeply about the lives and experiences of others and about the values which are important to them and the school

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Independent Schools Inspectorate

YOUNG MINDS £745		MOTOR NEURONE DISEASE £21,875
	AFGHAN AID £168	
SAVE THE CHILDREN £726	WATERAID £182	COMIC RELIEF £720
	NON UNIFORM DAY £1354	

Partnerships - Case studies

At St Dunstan's College, we are proud to work with a number of external organisations, which benefits not only our pupils and staff but those in the local and wider community.

Lewisham Young Leaders Academy (LYLA)

In 2021, St Dunstan's College announced a new ground-breaking partnership with Lewisham Council and Westside Young Leaders Academy to establish the Lewisham Young Leaders Academy (LYLA). The Academy was established in response to research and evidence showing disparities in attainment and outcomes for Black Caribbean and dual heritage (Black Caribbean/White) children and young people, not just in Lewisham, but throughout London and the UK. Through weekend classes, Lewisham Young Leaders Academy provides additional support to young people from across Lewisham through transformative teaching in life skills, including leadership, teamwork, presentation skills and CV building.

The programme is designed to develop 12 traits of leadership in the young people attending: bearing, courage, decisiveness, enthusiasm, initiative, integrity, judgement, knowledge, loyalty, perseverance, responsibility and unselfishness. Whilst the Academy benefits from using St Dunstan's facilities, including our halls and STEM classrooms, staff from the school have also led some of the weekend sessions giving up their own time to lead workshops on climbing and martial arts. This project has been made possible thanks to the generous donation of an alumnus to the College.

60+
students attending
each week

100%
of parents said the
programme had
increased their child's
CONFIDENCE

Tottenham Hotspur Football Club

Our partnership with Tottenham Hotspur Football Club was launched in 2019, to create a Player Development Programme for students aged between 11 and 18, both within the College and within the wider community of Catford.

Tottenham Hotspur's Global Football Development team, work alongside staff from St Dunstan's College to deliver authentic training methods developed within the Club's Academy, designed to support and challenge young people to reach their full potential.

As part of the programme, the coaches monitor each player individually, giving them the opportunity to learn and develop their skills so they can play attacking football with flair, fluidity and passion, these being the hallmarks of the Club.

XLP

Our partnership with XLP Sports Project launched in 2022. The project uses sport and fitness as a means of engaging young people through structured training sessions, coaching, mentoring, tournaments and trips. The goal is to see young people develop respect for themselves and others, and the determination and discipline to work hard to achieve their goals. The College works closely with the XLP Catford team, providing weekly access to pitches for training and regular tournaments. There are also opportunities for students and parents to carry out work experiencing and mentoring within the organisation.



Partnerships - Case studies

London Academy of Excellence Tottenham

St Dunstan's College is proud to be a partner school of the award-winning London Academy of Excellence Tottenham. Offering both strategic guidance to the school, with the Head serving as a governor, our partnership also cultivates a number of opportunities for educational partnerships, benefitting students across our schools and from different parts of London.

Bonus Pastor Catholic College

St Dunstan's has continued to work closely with Bonus Pastor Catholic College. Pupils from the school have visited for a variety of events including subject masterclasses, careers events and our St Dunstan's Festival.

CCF

There is a strong link between the College's CCF and local state schools. Students from the community have formed part of our Contingent and their teachers help serve and work with our staff in running the cadet activities, to the mutual benefit of both sets of students.

We have continued to develop our partnerships with local state schools, where we actively consider any possible bursary and scholarship candidates for access to the College, but also look at other ways in which we might be able to support them.

Our careers events have been opened to students from these schools and masterclasses provided in particular subject areas.

Maths Challenge

Our Maths Department hosted the Maths Challenge Event for local state and independent schools. Visiting students competed in groups on problems from the UK Maths Trust to test their logical skills and mathematical knowledge.

Science Boxes

Our Physics Department created a Science Box Loan Programme, in which local schools could borrow scientific equipment for three weeks at a time. This allowed local children to have access to equipment such as visualisers, signal generators and loudspeakers, spectroscopes, BeeSpi V light gates and micro voltmeters.



Careers Convention

Our annual Careers Convention, which takes place annually in November, has been open to students of local schools. Students are invited to the evening, which includes exhibitors from the world of business and higher education.



DISCOVER SCIENCE

Physics Partners

WITH ST DUNSTAN'S COLLEGE AND PHYSICS PARTNERS

THE ROCHESTER BRIDGE TRUST HAVE KINDLY DONATED THE FUNDS TO BUY APPARATUS WITH THE SOLE PURPOSE OF BEING LOANED (FREE OF CHARGE) TO LOCAL STATE SCHOOLS.

The Discover Science Boxes include:

MINI RIPPLE TANK AND VISUALISER For practical of relating wavespeed = frequency x wavelength	SIGNAL GENERATOR AND LOUDSPEAKER For range of human hearing	6 SPECTROSCOPES To see spectrums of visible light
BEE SPI V LIGHT GATES Easy to use, records speed of object passing through, used in any motion practical	MICRO VOLTMETER To demonstrate induction	NARIKA GENECON GENERATOR MODULES To demonstrate power usage in parallel and series

To borrow a box, please email our Physics Technician, Simona Masna smasna@stdunstans.org.uk, with the box/dates you'd like to borrow. More boxes are being added soon, plus videos of how to use and in-person training events. Loans will last for three weeks.

The Discover Science Boxes will need to be collected and returned to St Dunstan's College, Stanstead Road, SE6 4TY.

#DiscoverStDunstans    

Community Engagement and Events

ST DUNSTAN'S FESTIVAL

St Dunstan's Festival is our annual explosion of activity that celebrates and elevates all that we are at the College. The 2023 Festival saw more than 160 events take place over 11 days including performances, exhibitions, workshops, lectures, and competitions; there was truly something for everyone.

Local schools were invited to take part in a variety of community events including our openair Music Together concert, an International Evening celebrating all cultures and races, and a Community Sings event in the Big Top, which brought together local choirs.

LET'S TALK ABOUT - A CONFERENCE FOR EDUCATORS

St Dunstan's College was delighted to host a groundbreaking conference at Mansion House on Tuesday 20 June 2023 to tackle the ongoing teen pornography crisis.

The 'Let's Talk About... Porn, Sex and Educating for the Difference' conference brought together heads, deputy heads and pastoral leads from 100 schools – both independent and state – from across the country.

Opening the conference, St Dunstan's Head, Nick Hewlett, said: 'Teaching young children about pornography does not need to be undertaken in a binary way of wrong and right, indeed that is arguably unhelpful, but it should, in my view, be in schools where we facilitate sensitive conversations with children to help them understand the cyberspace they occupy, and to help them grow in the formulation of their own values and judgements in this space.'

Cindy Gallop, founder and CEO of an online website, who talked at TED 2009, also addressed delegates about the fact we don't talk openly and honestly about sex, and this can lead young people to extreme and violent videos. The programme also featured Chanel Contos, founder of Teach Us Consent, a campaign that was responsible for mandating consent education in Australian schools; Nicole Daley and Jess Alder, who travelled from the United States for the event, and are the creators of The Truth about Pornography Curriculum; and Justin Hancock, one of the country's leading sex and relationships educators.



Sustainability

At St Dunstan's College, we are passionate about creating a sustainable future. Our new Environmental Policy, which was written by staff, pupils and members of our local community, was launched in 2021 and focuses on the following, overarching strategies:

1. To reduce the negative impact that our estates and facilities have on the environment.
2. To significantly reduce our carbon footprint, as part of our journey to becoming carbon neutral.
3. To educate ourselves and others on sustainability through effective collaboration, communication, and curriculum content.

Over the past year we have worked with architects Walters & Cohen and sustainability experts, Max Fordham, to develop a 10-year estates masterplan that places sustainability and a commitment to becoming carbon neutral at the heart of every building project.

Our new Junior School, STEM block and Sixth Form Centre achieved a 'BREEAM excellent' classification. A high priority was given to more sustainable construction methods, which were used to reduce the environmental impact, both during construction and for the life of the building thereafter. Examples include Brick Slip cladding, PV panels, intelligent BMS systems and LED lighting.

Our pupils are also leading the way with our target to significantly increase the biodiversity across our sites. Through the College Parliament, Sustainability Committee and Eco Society the young people plan, design and manage many areas around the College, including two large ponds (which are teeming with frogs, snails and newts), various wildflower beds, untouched wild areas, and herb and vegetable gardens.

All lights in the 19th Century buildings have been replaced with energy efficient LEDs and automatic shutdown software ensures that computers, TVs and projectors are turned off overnight.

An expert environmentalist is employed by our Catering Company to ensure that waste is reduced to the lowest possible

Extensive planning programme in place – more than 1,000 bulbs planted and 50 new trees added to the College site.

More than 100kg of wildflowers planted to grow and attract biodiversity.

New and improved cycle park to encourage families to leave their cars at home



quantity and reused to create energy. Single use plastic has been removed from our catering provision completely. Menus include a weekly 'meat free' day and many of the pupils across the College willingly select the vegetarian and vegan options.

Environmental assemblies are a regular feature in the calendar, as are sustainability Themes of the Week. Pupils collaborate on these topics regularly and drive positive change across our organisation. Pupils are passionate about creating a 'no waste' culture and many encourage thrifting, selling and sharing clothes and equipment. Sustainability Top Tips are regularly displayed on our video wall and pupils attend high profile community meetings to drive positive change.



Dunstonian Relations

The Dunstonian Association has existed since 1897 to support and facilitate ongoing relationships across the Dunstonian community, past and present.

The Association is going from strength to strength and hosted a record number of social events (20 in total) with a combined attendance of 468 Dunstonians. The Dunstonian Association has restarted its regional lunches as well as organised some decades reunions very successfully.

There have been a further 488 registrations onto the alumni software called SDConnect which is a solid increase from the previous academic year as usually registrations tend to tail off from one year to the next. The total number of online registered alumni as off 31 July 2023 is 1643. The same trend can be seen across social media platforms, particularly Facebook and Instagram followers which have gone up substantially.

Our monthly newsletter is sent to nearly 3000 Dunstonians (online and offline) with a 65% opening rate which is very high. The Under 25 Newsletter launched in early 2022 in order to cater for the younger alumni is going from strength to strength. The bi-annual alumni magazine, The Notes, is written in house and widely acclaimed as a flagship of the Association - it has the largest readership online and is sent out in hard copies to over 750 alumni above the age of 60.

Careers engagement is the area with the steepest increase as we now have 305 registered volunteered against 195 registered at the end of the 2021-22 academic year. This is a substantial increase due to the fact that the Dunstonian Office works very closely all year round with the College's Head of Futures and Head of Sixth Form. The Digital Archives are updated every year and represent the first port of call for most Dunstonians.

488
new registrations on the
SDConnect platform



20
Dunstonian Events



Financial Review

These financial statements cover the year ended 31 July 2023 and include St Dunstan's Educational Foundation and its wholly owned subsidiary, College Hire Limited.

Overall, the Group's funds have increased during the year by £3,164k (2022: increase of £3,718k).

This is due to:

1. a strong operational performance leading to net income before tax and investment gains/losses of £2,341k (2022: £1,158). The school fees receivable for the year amounted to £18,947k (2022: £16,735k), representing a 13% increase over the previous twelve months.
2. Gains of £1,688 (2022: £1,888k) on an interest rate swap to hedge the loan from HSBC.
3. Fall in the value of investments by £246k (2022: £310k) due to stock market movements.
4. Reclassification of a property from investment property to fixed assets resulting in a revaluation loss of £690k (2022: gain of £1,055k).
5. Actuarial gain of £71k (2022: loss £70k) on a defined benefit pension scheme.

College Hire Limited achieved an operating profit after tax of £277k (2022: £150k).

Note 17 to the accounts sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Group's obligations on a fund-by-fund basis.

Tangible assets are all held for use by the College. Investments are held to create income and capital growth pending their utilisation on the objects of appeals, bequests or donations, or to match liabilities as appropriate. These are valued at cost or appropriate valuation (see note 11). During the year, one of the properties owned by the Foundation has been reclassified from investment properties to fixed assets because it was used by the school in the year. It is therefore included in these accounts at net book value, rather than market value, resulting in a revaluation loss of £689k.

GOING CONCERN

The governors have a reasonable expectation that the Group remains a going concern. See the accounting policy on page 34 for more details.

INVESTMENT PERFORMANCE

Governors are satisfied with investment income. The overarching investment objective is to maximise investment income while at least maintaining the value of the funds in real terms. An income

target is set and reviewed annually. Governors regularly review the investment strategy to ensure that this meets the needs of the Foundation going forward.

During the year an investment income return of 4% (2022: 4%) was achieved on invested funds which are managed by UBS Wealth Management.

The Foundation's investment portfolio takes a balanced approach to risk in order to deliver on both capital growth and income objectives. In the 12 months to 31 July 2023, the portfolio returned -3%. This is due to negative performance during the second half of 2022 as a result of elevated levels of inflation which led to negative returns from equities, bonds and real estate. This was partially offset by positive performance during the first half of 2023, with the overweight allocation to the UK equity market contributing to the recovery, which has continued into the current financial year.

INVESTMENT POLICY

The overall investment policy of the governors is to maintain a well-balanced portfolio of investments covering a spread of equities, gilts and properties to meet the needs of the Foundation in terms of both capital growth and income. This policy is not restricted by ethical or other considerations, however, this is currently under review.

FUNDRAISING PRACTICE

During the year, the Foundation has sought to raise funds from the wider school community. The Development Office and Head have approached parents, alumni and other individuals connected to the Foundation to seek donations towards the Foundation's development plans. Aside from this, the Foundation has not employed the assistance of any professional fundraisers or had fundraising carried out on its behalf.

The Foundation always aims to follow best practice in fundraising, and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charity Commission (CC), The Fundraising Regulator, The Institute of Fundraising (IoF) and The Information Commissioner's office. The Foundation is registered with the Fundraising Regulator and adheres voluntarily to the Regulator's Code of Fundraising Practice.

There have been no complaints with regards to fundraising in the year (2022: none).

RESERVES POLICY

The Group's Reserves Policy is to maintain sufficient unrestricted reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, and to rely on the readily realisable investments of the Foundation's unrestricted reserves for that purpose. The Foundation will apply from time to time to the Charity Commission in England and Wales to liquidate restricted or endowed reserves as adequate cover for the Foundation's longer-term capital expenditure commitments and any longer-term financial obligations.

At 31 July 2023, the Group had total reserves of £31,568k (2022: £28,404k).

Of these reserves £1,538k (2022: £946k) are "Restricted" and can only be utilised in accordance with the wishes of the original donor. The majority of these funds provide income for bursaries, scholarships, prizes and other specific purposes outlined by the donor in a specific deed or their will.

In addition, the Charity had Permanently Endowed Funds of £12,215k (2022: £12,683k) at 31 July 2023. Endowment Funds originate from a Scheme made by the Charity Commission in 1869 under the Endowed Schools Act 1869. These "Endowed" funds again provide income for scholarships and bursaries and other charitable activities but if the Charity wishes to expend capital contained in these funds the trustees may need to seek Charity Commission approval depending on the nature of the proposed expenditure.

The balance of reserves is "Unrestricted". The Group had not designated any of these unrestricted reserves for a particular purpose at 31 July 2023. At 31 July 2023, the Group had unrestricted funds of £17,815k (2022: £14,775k).

The trustees consider that the Group holds a sufficient level of unrestricted reserves to meet the Group's short-term financial obligations. At 31 July 2023 unrestricted listed investments were £3,889k (2022: £4,012k) and unrestricted net current assets were £4,530k (2022: £931k). The trustees consider this is sufficient to enable all aspects of the Group's work to be conducted in an orderly and efficient manner and to provide cover for unexpected but unavoidable items of expenditure which cannot be funded from current income.



Mr Paul Durgan

On behalf of the trustees

Date: 22 March 2024

Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

Select suitable accounting policies and then apply them consistently:

- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable 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 charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the St Dunstan's Educational Foundation website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors' Report

TO THE TRUSTEE OF ST DUNSTAN'S EDUCATIONAL FOUNDATION

Opinion

We have audited the financial statements of St Dunstan's Educational Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated and Foundation Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and charity's affairs as at 31 July 2023 and of their incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee'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 or parent charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustee's Report; or
- Sufficient accounting records have not been kept by the parent charity; or
- The parent charity financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's responsibilities set out on page 28, the trustee is 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 trustee determines 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 trustee is responsible for assessing the group's and parent charity's ability to continue as a

going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the group or parent charity 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operate in and how the group and parent charity is complying with the legal and regulatory framework
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and the risk of fraud in revenue recognition, as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to sample income, testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://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 charity's trustee as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor Chartered Accountants
The Pinnacle 170 Midsummer Boulevard
Milton Keynes
BUCKINGHAMSHIRE
MK9 1BP

Date: 19 April 2024

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Financial Statements

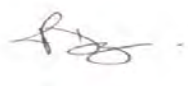
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds £k	Restricted Funds £k	Endowment Funds £k	Total 2023 £k	Total 2022 £k
Income						
Donations and Legacies	5	50	727	-	777	199
Charitable activities						
School fees receivable	2	19,127	(180)	-	18,947	16,735
Other educational income	3	842	-	-	842	722
Other ancillary income	3	147	-	-	147	150
Other trading activities		813	-	-	813	683
Investments	4	402	15	-	417	451
Total income		21,381	562	-	21,943	18,940
Expenditure						
Cost of raising funds	7	(1,604)	-	-	(1,604)	(1,459)
Charitable activities						
School operating costs	7	(17,953)	(45)	-	(17,998)	(16,323)
Total expenditure		(19,557)	(45)	-	(19,602)	(17,782)
Net income before tax	8	1,824	517	-	2,341	1,158
Taxation for the year		-	-	-	-	(3)
Net income after tax before investment gains/(losses)	8	1,824	517	-	2,341	1,155
(Losses)/gains on investment assets		(879)	75	(132)	(936)	745
Gains on hedging instrument for loan		1,688	-	-	1,688	1,888
Net income/(expenditure)		2,633	592	(132)	3,093	3,788
Transfers between funds	18b	336	-	(336)	-	-
Actuarial gain/ (loss) on defined benefit pension scheme	23	71	-	-	71	(70)
Movement in funds		3,040	592	(468)	3,164	3,718
Reconciliation of funds						
Funds brought forward at 1 August		14,775	946	12,683	28,404	24,686
Funds carried forward at 31 July		17,815	1,538	12,215	31,568	28,404

BALANCE SHEETS

	Notes	Consolidated		Foundation	
		2023 £k	2022 £k	2023 £k	2022 £k
Fixed assets					
Tangible fixed assets	10	35,711	36,792	35,711	36,792
Investments	11,12	9,779	10,782	9,779	10,782
		45,490	47,574	45,490	47,574
Current Assets					
Stock		4	12	-	6
Debtors due within one year	14a	1,139	1,021	1,280	1,119
Debtors due after more than one year	14b	2,967	1,279	2,967	1,279
Cash at bank and in hand	13	7,111	4,227	6,815	3,979
		11,221	6,539	11,062	6,383
Creditors					
Amounts falling due within one year	15a	(5,745)	(5,369)	(5,586)	(5,213)
		5,476	1,170	5,476	1,170
Net current assets		5,476	1,170	5,476	1,170
Total assets less current liabilities		50,966	48,744	50,966	48,744
Creditors:					
Amounts falling due after one year	15b	(18,731)	(19,543)	(18,731)	(19,543)
Net assets excluding pension liability		32,235	29,201	32,235	29,201
Defined benefit pension scheme liability	23	(667)	(797)	(667)	(797)
Total net assets		31,568	28,404	31,568	28,404
Funds					
Unrestricted		17,815	14,775	17,815	14,775
Restricted		1,538	946	1,538	946
Endowment		12,215	12,683	12,215	12,683
Total funds	17, 18a	31,568	28,404	31,568	28,404

Approved by the Trustees on 22 March 2024 and signed on their behalf by:



Mr Paul Durgan
Chair of Trustees

STATEMENT OF CASH FLOWS

		Consolidated		Foundation	
	Note	2023 £k	2022 £k	2023 £k	2022 £k
Cashflows from operating activities:					
Net cash provided by operating activities	a	3,766	1,234	3,718	1,066
Cashflows from investing activities:					
Dividends, interest and rents from investments		417	451	417	451
Proceeds from the sale of property, plant and equipment		6	1	6	-
Purchase of property, plant and equipment	10	(347)	(1,145)	(347)	(1,146)
Proceeds from sale of investments	11	75	190	75	190
Purchase of investments	11	(68)	(301)	(68)	(301)
Net cash used in investing activities		83	(804)	83	(806)
Cashflows from financing activities:					
(Decrease) in borrowing	15, 27	(965)	(734)	(965)	(734)
Net cash provided by financing activities		(965)	(734)	(965)	(734)
Change in cash and cash equivalents in the reporting period		2,884	(304)	2,836	(474)
Cash and cash equivalents at the beginning of the reporting period		4,227	4,531	3,979	4,453
Cash and cash equivalents at the end of the reporting period	b	7,111	4,227	6,815	3,979
a) Reconciliation of net income to net cashflow from operating activities		2023 £k	2022 £k	2023 £k	2022 £k
Net income for the reporting period		3,164	3,718	3,163	3,663
(as per the statement of financial activities)					
Adjustments for:					
Depreciation charges	10	1,461	1,467	1,461	1,467
Losses/(Gains) on investments		936	(745)	936	(745)
Dividends, interest and rents from investments		(417)	(451)	(417)	(451)
Loss on the sale/write off of fixed assets	10	22	-	22	-
Decrease/(increase) in stocks		8	(4)	6	(2)
(Increase) in debtors	14	(119)	(304)	(161)	(324)
Increase/(decrease) in creditors	15	529	(552)	526	(647)
(Increase) in Loan Hedging Instrument asset	14	(1,688)	(1,888)	(1,688)	(1,888)
(Decrease) in Defined Benefit Scheme liability		(130)	(7)	(130)	(7)
Net cash provided by operating activities		3,766	1,234	3,718	1,066
b) Analysis of cash and cash equivalents		2023 £k	2022 £k	2023 £k	2022 £k
Cash in hand		7,111	4,227	6,815	3,979
Total cash and cash equivalents		7,111	4,227	6,815	3,979

Accounting Policies

BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £k, unless noted otherwise.

The financial statements have been prepared, using the historical cost convention modified to include certain financial instruments at their fair value as explained in the relevant accounting policy. The principal accounting policies adopted are set out below.

GOING CONCERN

Detailed three-year financial modelling and scenario analysis has been performed demonstrating that the Group has sufficient cash and is able to meet the financial covenants within the Foundation's loan facility for at least 12 months following the signing of these financial statements. Scenarios considered included the loss of pupil numbers and reduction in the recoverability of fees. Key assumptions made in this scenario analysis included the ability to generate cash through the sale of the Foundation's unrestricted investments. In longer term projections the Foundation expects to achieve greater surpluses which will be reinvested in improving facilities in the medium and long term. Demand for places at the College is currently strong, although there is risk that the take up may be lower than forecast depending on the impact that the high inflationary economic environment may have on parents' ability to continue funding schooling.

GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, College Hire Limited, on a line-by-line basis. The charity has taken advantage of the concession offered not to present a separate Statement of Financial Activities for the Charity as a standalone entity.

INCOME RECOGNITION

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other remissions allowed by the College, but include contributions received from the Foundation and other sources.

Grants receivable for specific purposes are accounted for as restricted funds. Transfers are made from those funds to offset depreciation.

INTEREST RECEIVABLE

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

DONATIONS

Donations received for the general purposes of the Foundation are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

The accounts of the Charity include the funds which are under the direct control of the governors.

EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenditure of the wholly owned trading subsidiary, College Hire Limited in running a leisure club, a commercial nursery and a lettings business as well as the Foundation's financing and fundraising costs.
- Expenditure on charitable activities includes all expenditure in running a school and in particular teaching, premises and welfare costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Scholarships and bursaries are charged to expenditure in the period to which they relate.

ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly deliver charitable activities. Support costs include all administrative and governance costs which support the charity’s activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

OPERATING LEASES

Rentals payable are charged on a straight line basis over the lease term.

TANGIBLE FIXED ASSETS

Capitalisation and replacement

The original College land and buildings are carried at the value of property in June 1994 as valued by a professional adviser. In accordance with the transitional provisions of FRS102, this valuation has not been updated. Additions and improvements to the property since 1994 representing enhancements in value are stated at cost. The College is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred.

In the Foundation items costing less than £5,000 are written off as an expense as acquired. The capitalisation threshold within College Hire Limited is £500.

Where additions and improvements are under construction on permanently endowed land these are included within endowed funds.

Interest costs directly attributable to the financing of tangible fixed assets are capitalised at the cost of the related borrowings until the point of completion.

Depreciation

Depreciation is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

	Years
Buildings	50
Improvements and extensions	10-50
Furniture and equipment	3-25
Motor vehicles	5

No depreciation is provided on freehold land or the original College buildings.

Depreciation for assets under construction does not commence until they are completed and come into use by the School.

STOCK

Stock is included at the lower of cost or net realisable value.

DEBTORS

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the Group 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 trade discounts due.

BORROWINGS

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

DERIVATIVES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statement of Financial Activities.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘other Financial Instruments Issues’ of FRS 102 in full to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities or assets according to the substance of the contractual arrangements entered into.

Fixed asset investments

Fixed asset investments are initially measured at transaction price. Transaction price includes transaction costs, except where investments are measured at fair value through the Statement of Financial Activities when transaction costs are expensed to the

Statement of Financial Activities as incurred.

The fair value of investments quoted on a recognised stock exchange are measured at market value through the Statement of Financial Activities. Realised and unrealised gains and losses are calculated by reference to the market valuation of the relevant investments at the start of the financial year.

Investment properties are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in the Statement of Financial Activities.

Fee, trade and other debtors

Fee, trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment for trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the Statement of Financial Activities.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised costs, being transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Advance fee scheme

Advance fee discounts are charged to finance costs as required by FRS 102 and included within the gross fees reflected in the financial statements.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis,

or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified when the obligation specified in the contract is discharged cancelled or expires.

PENSION CONTRIBUTIONS

1) Teachers' Pension Scheme

Retirement benefits to eligible employees of the Foundation are provided by The Teachers' Pension Scheme (TPS). This is a defined benefit scheme, which is externally funded. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method.

2) Group personal pension scheme - Phoenix

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the Scheme.

3) Independent Schools Pension Scheme - defined benefit

This is a defined benefit scheme managed by TPT Retirement Solutions (formerly the Pensions Trust). Employer contributions are charged to the Statement of Financial Activities as they become payable. The contributions are determined by qualified actuaries on the basis of triennial valuations.

4) Independent Schools Pension Scheme - Auto-Enrolment

On 1 April 2014 the Foundation opened a fourth pension scheme for all employees who were not entitled to or who had not opted to join one of the three existing schemes. Contributions are charged to the Statement of Financial Activities as they become payable.

5) Aviva Pension Trust for Independent Schools (APTIS) - defined contribution scheme

Contributions are charged to the Statement of Financial Activities as they become payable.

RESERVES

The Charity has permanently endowed funds, restricted funds and unrestricted funds. Restricted funds are separately accounted for in accordance with the terms of the originating deeds and documentation. In March 2007 the trustees received confirmation from leading Counsel that all original land and

buildings, given to the Foundation in 1888 and additions thereto, were permanently endowed.

TAXATION

St Dunstan's Educational Foundation is a registered charity and as such its income and gains falling within Sections 518 to 564 of the Income Taxes Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income tax and capital gains tax to the extent that they are applied to its charitable objectives.

AGENCY ARRANGEMENT

The Charity has an arrangement with the Friends of St Dunstan's College (FSDC) to make payments and receipts on its behalf. FSDC is a formally constituted grouping of parents who arrange social and charitable events for the benefit of pupils of the College. The Charity includes funds held at the year-end within its financial statements as the sums involved are not material.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Charity's accounting policies the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects more than one period.

There are not considered to be any significant estimates or assumptions that might materially affect the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Financial performance of the Group

The Consolidated Statement of Financial Activities includes the results of the Charity's wholly owned trading subsidiary, College Hire Limited.

College Hire Limited gift aids any distributable surpluses to the Charity as shown in Note 6 and the gift aid is included within the Statement of Financial Activities (SOFA) for the Charity. The standalone SOFA for the Charity has therefore not been included.

2 School fees receivable

Fees receivable consist of:

Gross fees

Less scholarships, bursaries and other remissions

2023 £k	2022 £k
21,043	18,478
(2,096)	(1,743)
18,947	16,735

£180k (2022: £15k) was contributed towards bursaries and scholarships from restricted funds. This is shown in brackets in the restricted funds column of the Statement of Financial Activities.

3 Other income

Other educational income

Entrance and registration fees

Examination fees

After school care

Other income from pupils

2023 £k	2022 £k
101	94
95	85
86	69
560	474
842	722

Other ancillary income

Tuck shop

Pupil transport to school

Rental income (tangible fixed asset)

Other ancillary income

2023 £k	2022 £k
57	46
53	53
35	46
2	5
147	150

All other income is unrestricted.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Investment Income

	2023			2022		
	Unrestricted £k	Restricted £k	Total £k	Unrestricted £k	Restricted £k	Total £k
Interest receivable	50	-	50	2	-	2
Rental income (investment property)	57	-	57	60	-	60
Listed investments	295	15	310	377	12	389
	402	15	417	439	12	451

All income from listed investments arises from stocks acquired through a UK Stock Exchange.

5 Voluntary Income

	2023			2022		
	Unrestricted £k	Restricted £k	Total £k	Unrestricted £k	Restricted £k	Total £k
Donations	50	163	213	39	129	168
Legacies	-	564	564	31	-	31
	50	727	777	70	129	199

Income from legacies includes two restricted gifts: one received in 2023 to support student bursaries, and the other a distribution from an independently managed trust created by a former Dunstonian. This trust holds and derives its income from a commercial property.

6 Income from Trading Activities

The wholly owned trading subsidiary, College Hire Limited, is incorporated in England and Wales (company number 04396837) and distributes all of its distributable profits to the charity under gift aid.

College Hire Limited hires out facilities to the general public, charitable bodies and other hirers.

The summary financial performance of the subsidiary alone is:

	2023 £k	2022 £k
Turnover	907	698
Cost of sales and administration costs	(630)	(548)
Operating profit	277	150
Taxation for year	-	(3)
Net profit	277	147
Distribution to the charity	(276)	(95)
Retained in subsidiary	1	52
The assets and liabilities of the subsidiary were:		
Fixed assets	-	-
Current assets	524	358
Current liabilities	(523)	(358)
Net assets	1	-
Aggregate share capital and reserves	1	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Analysis of Expenditure

	Staff costs £k	Other Costs £k	Depreciation £k	2023 £k	2022 £k
Expenditure on:					
Cost of raising funds					
Fundraising	73	25	-	98	-
Leisure club and lettings	455	157	-	612	538
Financing costs	-	876	-	876	891
Investment management fees	-	18	-	18	30
	528	1,076	-	1,604	1,459
Charitable activities					
School operating costs					
Teaching costs	9,300	1,265	6	10,571	9,559
Welfare costs	-	1,387	8	1,395	951
Premises costs	388	1,567	1,447	3,402	3,458
Governance and support costs	1,401	1,224	-	2,625	2,327
Donations and prizes	-	5	-	5	28
	11,089	5,448	1,461	17,998	16,323
Total expenditure	11,617	6,524	1,461	19,602	17,782

Analysis of governance and support costs

Support costs have been analysed below and are included within school operating costs, as the charitable activity of the College.

Governance costs include audit fees, trustee indemnity insurance, trustee expenses, legal and professional fees for constitutional matters and meeting costs.

	2023 £k	2022 £k
Support costs		
Staff and training costs	1,367	1,298
Marketing	161	213
Staff recruitment	111	80
Legal and professional fees	287	82
Pupil transport	91	84
Office costs	455	422
Governance costs		
Staff costs	42	64
Audit and other professional fees	82	60
Meeting and other governance costs	29	24
	2,625	2,327

8 Net income for the year

This is stated after charging:

	2023 £k	2022 £k
Operating leases – equipment and temporary building	50	50
Depreciation	1,461	1,467
Governors' liability insurance	1	1
Auditor's remuneration (including VAT)		
Audit fees	53	46
Other services – Corporate tax, VAT advisory and Teachers' Pensions Audit	25	9
Loss on disposal of fixed assets	22	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

9 Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel

	2023	2022
	£k	£k
Wages and salaries	9,418	8,799
Social security costs	960	904
Other pension costs	1,238	1,199
	11,616	10,902

The average monthly head count was 264 staff (2022: 264) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2023	2022	2023	2022
	Average head count	Average head count	FTE	FTE
Teaching	104	95	102	100
Teaching Support	90	93	48	52
Administrative Support	52	55	43	44
Lettings	18	21	13	14
	264	264	206	210

The key management personnel of the College were the St Dunstan's Executive Team (DET). The DET includes the Head, the Deputy Head Pastoral, the Deputy Head Academic, Head of the Junior School, Chief Operating Officer, Chief People Officer and Chief Financial Officer. Their total remuneration including pensions and employer national insurance contributions amounted to £821k (2022: £740k) in this financial year.

Redundancy and termination payments of £0k (2022: £20k) were made during this financial year.

The number of employees whose annual equivalent emoluments exceeded £60,000 during the period were:

	2023	2022
	Number	Number
£60,001 to £70,000	10	9
£70,001 to £80,000	4	-
£80,001 to £90,000	2	3
£90,001 to £100,000	2	-
£130,001 to £140,000	-	1
£170,001 to £180,000	1	1

Contributions were made to the Teachers' Pension Scheme of £198k (2022: £158k) in respect of 11 (2022: 10) of the employees reflected above (see note 22). Seven (2022: 3) higher-paid employees are members of the Independent Schools Pension Scheme - defined contribution scheme (see note 22). Contributions to this scheme during the year amounted to £61k (2022: £22k) for these higher-paid employees. One (2022: 1) higher-paid employee is a member of the Independent Schools Pension Scheme – defined benefit scheme (see note 23). Contributions to this scheme during the year amounted to £9k (2022: £9k)

Neither the governors nor persons connected with them received any remuneration or other benefits from the Foundation or any connected organisation.

The expenses of the governors were as follows:

	2023	2022
	£	£
Expenses to attend meetings (including annual conference)	345	301
2023: 6 (2022: 6)		
Catering provided at meetings	945	357

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 Tangible fixed assets

Consolidated	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
Cost or valuation					
1 August 2022	42,442	168	4,485	74	47,169
Additions	99	31	201	16	347
Disposals	-	(19)	(21)	(28)	(68)
Transfer from investment properties	61	-	-	-	61
Transfers	29	-	-	(29)	-
31 July 2023	42,631	180	4,665	33	47,509
Depreciation					
1 August 2022	7,466	168	2,743	-	10,377
Charge for the period	1,115	6	340	-	1,461
Released on disposal	-	(19)	(21)	-	(40)
31 July 2023	8,581	155	3,062	-	11,798
Net book values					
31 July 2022	34,976	-	1,742	74	36,792
31 July 2023	34,050	25	1,603	33	35,711

Foundation	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
Cost or valuation					
1 August 2022	42,442	168	4,461	74	47,145
Additions	99	31	201	16	347
Disposals	-	(19)	-	(28)	(47)
Transfer from investment properties	61	-	-	-	61
Transfers	29	-	-	(29)	-
31 July 2023	42,631	180	4,662	33	47,506
Depreciation					
1 August 2022	7,466	168	2,719	-	10,353
Charge for the period	1,115	6	340	-	1,461
Released on disposal	-	(19)	-	-	(19)
31 July 2023	8,581	155	3,059	-	11,795
Net book values					
31 July 2022	34,976	-	1,742	74	36,792
31 July 2023	34,050	25	1,603	33	35,711

The value of freehold land and buildings in relation to the main College building is £1,700k (valued by Savills, Chartered Surveyors 27 April 1994).

The freehold land and buildings were valued at open market value on an existing use basis. The historical cost information in relation to these buildings is not available. The trustee has considered the holding value of the fixed assets stated above on implementing FRS 102 and consider the values stated above remain appropriate taking in to account the educational activities of the Charity.

Included in Land and Buildings is freehold land valued at £1,502k (2022: £1,502k) which is not depreciated.

St Dunstan's Educational Foundation has pledged land and buildings, which had a net book value of £32,907k at 31 July 2023, to secure a bank loan with HSBC by way of a fixed charge (See Note 15b).

Included in the cost of Land and Buildings is £373k capitalised interest on the bank loan and the hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS (continued)

11 Investments

	Consolidated and Foundation			
	Unrestricted £k	Restricted £k	Endowment £k	Total £k
Balance at 1 August 2022	6,043	654	4,085	10,782
Additions	68	-	-	68
Disposals at opening market value	(3)	(68)	(4)	(75)
Transfer	(750)	-	-	(750)
Revaluations	(189)	75	(132)	(246)
Balance at 31 July 2023	5,169	661	3,949	9,779
Breakdown:				
Listed on the Stock Exchange	3,889	661	3,949	8,499
Property (see Note 12)	1,280	-	-	1,280
Balance at 31 July 2023	5,169	661	3,949	9,779

The investments are registered in the name of UBS AG and managed by UBS Wealth Management on behalf of the Charity.

Historical cost of investments listed on the stock exchange is £8,443k (2022: £8,307k). See the table in Note 12 for the historical cost of the property.

There were no investments representing over five percent of the portfolio value.

Within the Foundation accounts is an investment of £1 in a subsidiary, College Hire Limited (See Note 6). During the year this company ran the leisure club and hired out other facilities to the general public, charitable bodies, the London Borough of Lewisham and other hirers. The Foundation owns 100% of the issued share capital of this company which is incorporated in the United Kingdom (see Notes 1 and 6).

12 Investment property

	Book Value at start of year £k	Transfer £k	Book value end of year £k
Fordmill Road	730	-	730
Groundsman's House	550	-	550
Polsted Road	750	(750)	-
	2,030	(750)	1,280

At 31 July 2023 the Foundation had 2 (2022: 3) investment properties: One industrial property -Fordmill Road Depot, and one residential property - the Groundsman's House. A valuation was carried out on both investment properties by Kinleigh Folkard & Hayward in January 2023.

A third property, Polsted Road, was transferred to fixed assets in the year as it is currently used by the school.

13 Cash at bank and in hand

As at 31 July 2023 £1m (2022: £1m) of the Foundation's cash balances are held as collateral to secure a bank loan with HSBC (See Note 15b). This amount is held in an interest-bearing account with the interest being in favour of the Foundation.

NOTES TO THE FINANCIAL STATEMENTS (continued)

14a Debtors due within one year	Consolidated		Foundation	
	2023 £k	2022 £k	2023 £k	2022 £k
Fee debtors	250	433	250	433
Trade debtors	314	250	259	181
Prepayments and accrued income	488	338	328	302
Amounts owed by group undertakings	87	-	443	203
	1,139	1,021	1,280	1,119

14b Debtors due in more than one year	Consolidated		Foundation	
	2023 £k	2022 £k	2023 £k	2022 £k
Hedging instrument for loan	2,967	1,279	2,967	1,279

15a Creditors due within one year	Consolidated		Foundation	
	2023 £k	2022 £k	2023 £k	2022 £k
Bank loan	1,000	1,000	1,000	1,000
Fees received in advance and deposits	1,851	1,354	1,851	1,354
Trade creditors	288	492	257	475
Taxation and social security	291	253	271	231
Pensions	173	150	170	150
Accruals and deferred income	1,029	1,004	930	889
Other creditors	106	265	100	263
	4,738	4,518	4,579	4,362
Advance fees (See Note 16)	1,007	851	1,007	851
	5,745	5,369	5,586	5,213

15b Creditors due after more than one year	Consolidated and Foundation	
	2023 £k	2022 £k
Bank loan	17,032	17,997
Advance fees	1,634	1,546
Other creditors	65	-
	18,731	19,543

Bank loan

St Dunstan's Educational Foundation entered into a ten-year loan facility with HSBC in November 2019. This facility has a contractual variable interest rate linked to GBP 3 month LIBOR plus a margin of 2.25%. This rate transitioned to SONIA plus a spread adjustment plus a margin of 2.25% on 31 January 2022.

Quarterly repayments of the bank borrowings have been made as scheduled since the quarter ending 31 January 2021.

Bank borrowings are secured against the land and buildings of the Foundation (See Note 10) and against collateral of £1m cash held in bank account (See Note 13)

The bank loan facility agreement places some restrictions on the Foundation. In particular, the Foundation is required to maintain prescribed interest and debt service cover ratios for the duration of the loan.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Bank loan - Continued

A summary of the scheduled repayments of the bank loan is shown below:

	Consolidated and Foundation	
	2023 £k	2022 £k
Over 5 years	13,250	14,250
Within 2 to 5 years	3,000	3,000
Within 1 to 2 years	1,000	1,000
	17,250	18,250
Within 1 year	1,000	1,000
	18,250	19,250

The amount owed to the bank at 31 July 2023 was £18m (2022: £19m). The difference between this amount and the value of the loan in the balance sheet (2023: £218k, 2022: £252k) is due to unamortised loan arrangement costs.

Hedging instrument for loan

St Dunstan's Educational Foundation is using an interest rate swap to manage its exposure to interest rate movements on its bank loan facility with HSBC. The Foundation entered into a variable to fixed interest rate swap with HSBC in December 2019. This contract swaps the variable rate of interest for the HSBC loan facility of GBP 3 month LIBOR (which transitioned to SONIA plus a spread adjustment from 31 January 2022) for a fixed rate of 1.072% per annum for the period up to December 2029.

The interest rate swap was valued externally by the counterparty bank by calculating the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted LIBOR rates.

Other creditors

In April 2019 the Foundation entered into a 5 year agreement with Holroyd Howe to provide catering to the College.

During the 2018/19 financial year Holroyd Howe invested in an upgrade of the servery facility costing £153k and a mixer and washing machine costing a total of £16k. These are being treated as fixed assets and are being depreciated over 10 years and 5 years respectively.

The above sums are being written back over the life on the contract with Holroyd Howe. Of the sum invested £65k is reflected in other creditors over one year and £19k in creditors under one year with £19k being released to the Statement of Financial Activities in the year.

A summary of the position regarding the release of these sums to the Statement of Financial Activities is shown below:

	2023	
	£k	2022 £k
Over 5 years	-	10
Within 2 to 5 years	46	55
Within 1 to 2 years	19	19
	65	84
Within 1 year	19	19
	84	103

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 Advance fee payments

College tuition fees may be paid in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the College, advance fees will be applied as follows:

Consolidated and Foundation	
	2023 £k
	2022 £k
Over 5 years	199
Within 3 to 5 years	659
Within 1 to 2 years	776
	1,634
Within 1 year	1,007
	2,641

The balance represents the accrued liability under the contracts.

The capital movements during the period were:

	2023 £k	2022 £k
Balance at 1 August	2,397	2,056
New contracts (less repaid)	1,523	1,377
	3,920	3,433
Amounts utilised in payment of fees to the College	(1,279)	(1,036)
Balance at 31 July	2,641	2,397

17 Allocation of the Group's/Charity's net assets

	Fixed Assets	Investments	Net Current Assets	Long Term Liabilities	Recoupment Order	Total
	£k	£k	£k	(including pensions) £k	£k	£k
2023						
Consolidated						
Unrestricted funds	5,519	5,169	4,528	(19,398)	21,997	17,815
Restricted Funds	-	661	877	-	-	1,538
Endowment Funds	30,192	3,949	71	-	(21,997)	12,215
	35,711	9,779	5,476	(19,398)	-	31,568
Foundation						
Unrestricted funds	5,519	5,169	4,528	(19,398)	21,997	17,815
Restricted Funds	-	661	877	-	-	1,538
Endowment Funds	30,192	3,949	71	-	(21,997)	12,215
	35,711	9,779	5,476	(19,398)	-	31,568
2022						
Consolidated						
Unrestricted funds	5,756	6,043	847	(20,340)	22,469	14,775
Restricted Funds	-	654	292	-	-	946
Endowment Funds	31,036	4,085	31	-	(22,469)	12,683
	36,792	10,782	1,170	(20,340)	-	28,404
Foundation						
Unrestricted funds	5,756	6,043	847	(20,340)	22,469	14,775
Restricted Funds	-	654	292	-	-	946
Endowment Funds	31,036	4,085	31	-	(22,469)	12,683
	36,792	10,782	1,170	(20,340)	-	28,404

NOTES TO THE FINANCIAL STATEMENTS (continued)

18a Funds

	Balance at 1 August 2022 £k	Income £k	Expenditure £k	Realised/ unrealised gains/(losses) £k	Transfers £k	Balance at 31 July 2023 £k
Unrestricted funds:						
College plus College Hire Limited	8,920	21,381	(19,557)	71	336	11,151
Other	5,855	-	-	809	-	6,664
	14,775	21,381	(19,557)	880	336	17,815
Restricted funds:						
Bursary Fund	266	820	-	(5)	-	1,081
Prize and Other Funds	680	(258)	(45)	80	-	457
	946	562	(45)	75	-	1,538
Endowed funds:						
Foundation capital	12,517	-	-	(132)	(336)	12,049
Legacies, prizes and other funds	166	-	-	-	-	166
	12,683	-	-	(132)	(336)	12,215
Total Funds	28,404	21,943	(19,602)	823	-	31,568

A brief description of the funds is set out below:

Unrestricted funds

The “College plus College Hire” unrestricted reserves represent the accumulated surpluses generated by the College and its wholly owned trading company College Hire Limited during their period of operation.

The “Other” unrestricted reserves have arisen principally from the investment activities of the Foundation. These represent both surpluses on invested funds and accumulated investment gains arising from the sale and revaluation of invested assets over time.

Restricted funds

The Foundation has a significant number of restricted funds which have arisen since St Dunstan’s College opened in 1888.

The largest of these funds are as follows:

Bursary Fund

This fund arises from appeals to fund awards made to boys and girls attending the school. The income of this fund is utilised to fund such awards and the capital is invested to generate income.

Prizes and Other funds

These are funds which have been given to the Foundation over many years for specific purposes and are utilised in accordance with the donor’s wishes. The largest of these funds is the Heaton Caffin Fund which represents a legacy given by a former pupil of the school which gives the income arising from a local commercial property through a Will Trust to the Foundation on an annual basis. The annual income is circa £60k and is to be utilised to further British exports (70%) and team games (30%) or in a manner determined by the trustees.

Most other funds in this category are specific prize funds, bursary or scholarship funds of a specific nature.

Foundation Endowment Funds

Foundation Capital

This represents the permanently endowed funds of the Foundation. These funds originate from the original endowment which was effectively given to the Foundation in 1867 and subsequently, under various Schemes of Arrangement made by the Charity Commission. These monies originate from the Parish of St Dunstan’s in the East in the City of London. They are represented by an endowed investment portfolio and property. The trustees utilise these funds to make improvements to the endowed property in accordance with the originating Schemes of Arrangement.

Legacies, Prizes and Other Funds

These are other funds given to the Foundation generally via way of legacy or bequest.

NOTES TO THE FINANCIAL STATEMENTS (continued)

18b Transfers

Transfers between the various funds were as follows:

	Unrestricted funds £k	Restricted funds £k	Endowment funds £k	Total £k
Additions to endowed property	(117)	-	117	-
Depreciation of endowed property	921	-	(921)	-
Net additions/sales of endowed investments	4	-	(4)	-
Recoupment Order	(472)	-	472	-
	336	-	(336)	-

The transfers above represent:

- the value of additions to tangible fixed assets which are situated on endowed land
- the depreciation of endowed tangible fixed assets, the expense for which is transferred from unrestricted funds to endowed funds
- the sale of endowed investments to pay investment management fees
- the annual transfer to comply with the recoupment order (See Note 26)

19 Contracts and Capital Commitments

At 31 July 2023 the Group had capital commitments totalling approximately £338k (2022: £nil) in relation to the refurbishment of property .

20 Operating leases

As lessee - equipment and minibus

Amounts due:

Within one year

Between two and five years

2023 £k	2022 £k
50	50
45	95
95	145

As lessor - rent on Fordmill Road depot

Amounts due:

Within one year

Between two and five years

2023 £k	2022 £k
42	42
42	85
84	127

The rent received as lessor relates to the investment property known as Fordmill Road Depot. It was let from 1 August 2020 on a five-year lease.

21 Financial instruments

The carrying amounts of the Group's financial instruments at 31 July 2023 were as follows:

	Consolidated and Foundation	
	2023 £k	2022 £k
Financial assets:		
Investments measured at fair value		
Stock market investments	8,499	8,750
Hedging Instrument for Loan	2,967	1,279
Total financial assets	11,466	10,029
Financial liabilities:		
Bank Loan	18,032	18,997
Advance fees	2,641	2,397
Total financial liabilities	20,673	21,394

NOTES TO THE FINANCIAL STATEMENTS (continued)

22 Pension Costs

As explained in the accounting policies, the College operates five different pension scheme arrangements.

(i) Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme (the TPS) for its teaching staff. The pension charge for the year includes employer contributions payable to the TPS of £908k (2022: £1,030k) and at the year end £108k (2022: £118k) was accrued in respect of employer and employee 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.

Valuation of the Teachers' Pension Scheme

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023. The Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach.

The valuation report was published on 26 October 2023. The key results of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion;
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion;
- Notional past service deficit of £39.8 billion (2016 £22 billion);
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI (this change has had the greatest financial significance)).

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

(ii) Group Personal Pension Scheme - Phoenix

Under the terms of the St Dunstan's Educational Foundation

Group Personal Pension Scheme the College matches employees' contributions (at a rate of 3%, 5%, 6% or 7%) to his or her own individual policy with the Scheme provider, Phoenix AMP (formerly AMP/NPI). The Scheme was revised in the year 2000 to comply with Government legislation.

Due to poor investment returns on this type of policy, the governors decided that the Foundation would allow non-teaching staff to join the Independent Schools Pension Scheme (ISPS), with effect from 1 February 2004. Most former members of the scheme have transferred to ISPS.

Employer contributions payable to the Scheme in the year amounted to £1k (2022: £1k).

(iii) Independent Schools Pension Scheme ("ISPS") Defined Benefit Scheme

The Charity participates in the ISPS Pension Scheme.

This is a multi-employer scheme which provides benefits to some 61 non-associated 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 it 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 classified 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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

From 1 September 2022 to 30 June 2032:

£2,687,000 per annum

(payable monthly and increasing by 3% on each 1 September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee

NOTES TO THE FINANCIAL STATEMENTS (continued)

has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 September 2019 to 31 April 2030:

£2,387,357 per annum

(payable monthly and increasing by 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Where the scheme is in deficit and where 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 that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost. See Note 23 for further information in relation to the funding deficit.

From 1 September 2022 the joint contribution rate has been 36.6%, of which the employer contribution is 14.1% and the employees' contribution is 22.5%.

As at the balance sheet date there were 7 (2022: 9) active members of the Defined Benefit Scheme employed by the Foundation. Employer contributions during the year excluding past deficit contributions amounted to £32k (2022: £39k).

(iv) ISPS -Defined Contribution Scheme (Auto Enrolment)

With effect from 1 April 2014 the Foundation was required to enrol members of its staff not currently in a pension scheme, into a defined contribution scheme. The Foundation has used the Scheme provided by ISPS to meet its obligations under the auto-enrolment regulations. Employers and Employee rates are currently set at 3% and 5% respectively, with certain employees entitled to increase their employee contributions, with matching contributions from the Foundation of up to 10%. In 2014 employees of College Hire Limited also became entitled to join the Scheme.

At the balance sheet date there were 96 (2022: 78) members active in this Scheme. During the year ended 31 July 2023 the Foundation contributed £72k to this Scheme (2022: £83k)."

(v) Aviva Pension Trust for Independent Schools (APTIS) – Defined Contribution Scheme

With effect from 1 September 2020 the Foundation has allowed teachers to opt out of the Teacher Pensions Scheme and enrol in APTIS. The minimum employee contribution rate is 2% and the Foundation will contribute between 6.5% (minimum) and 16.5% (maximum) of an employee's salary. The employee selects the employer rate between these parameters and can select to receive additional salary of up to 10%. At the balance sheet date there were 31 (2022: 4) members active in this Scheme. During the year ended 31 July 2023 the Foundation contributed £182k to this Scheme (2022: £25k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

23 Defined benefit pension scheme liability - ISPS

The Foundation (as explained in Note 22) is required under FRS 102 to account for its share of the funding deficit on the ISPS valuation as identified by the 2017 and 2020 valuations of this multi-employer Final Salary Scheme. The movements on this provision have been as follows:

	Consolidated and Foundation	
	2023 £k	2022 £k
Liability at 1 August	797	804
Interest expense	24	8
Deficit contributions paid	(83)	(85)
Impact of change in assumptions	(71)	70
Liability at 31 July	667	797

The above deficit contributions and provision have been calculated and provided to the Foundation by TPT Retirement Solutions (formerly The Pensions Trust).

The provision and deficit contributions take in to account relevant discount rates and bond yields. The recovery plan for the Scheme is aimed at eliminating the funding shortfall by 30th June 2032.

Deficit contributions from 1st September 2022 were £6,880 per month and will rise by 3% per annum.

24 Ultimate parent and controlling undertaking

The ultimate parent undertaking since 25 January 2023 is St Dunstan's Trustee Limited, a company limited by guarantee (company number: 14407568). It's registered office is St Dunstan's College, Stansted Road, London, SE6 4TY.

25 Agency arrangement

The Foundation has an agency arrangement with the Friends of St Dunstan's (FSDC) to hold monies on their behalf. FSDC is a Committee of parents who organise social events for the benefit of pupils and parents of the school. At 31 July 2023 the College held £36k (2022: £23k). The cash is held in the Foundation's bank account. This is a long standing arrangement which helps FSDC to undertake their activities which are all ultimately undertaken for the benefit of pupils of the school.

26 Charity Commission Recoupment Order

The following recoupment order is reflected in the financial statements at 31 July 2023:

Date of Order	Capital Sum £k	Amount Outstanding £k	Method of Recoupment	Last Payment Year
4 August 2020	23,413	21,997	£472k per annum for a period of 50 years	2070

The Commission authorised the trustees to spend the sum of not more than £23.6m from the charity's permanent endowment for the purpose of constructing the new Junior School, STEM and Sixth Form building.

At 31 July 2023 the capital sum of the recoupment order is £21,997k (2022: £22,469k).

NOTES TO THE FINANCIAL STATEMENTS (continued)

27 Analysis of change in net debt

	At 1 August 2022 £k	Cash flows £k	At 31 July 2023 £k
Consolidated			
Cash and cash equivalents			
Cash	4,227	2,884	7,111
Borrowings			
Debt due within one year	(1,019)	-	(1,019)
Debt due after one year	(18,082)	985	(17,097)
	(19,101)	985	(18,116)
	(14,874)	3,869	(11,005)
Foundation			
Cash and cash equivalents			
Cash	3,979	2,836	6,815
Borrowings			
Debt due within one year	(1,019)	-	(1,019)
Debt due after one year	(18,081)	984	(17,097)
	(19,100)	984	(18,116)
	(15,121)	3,820	(11,301)

Accounts



St Dunstan's
EDUCATIONAL
FOUNDATION



ST DUNSTAN'S COLLEGE

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2022



Contents

TRUSTEE’S REPORT

Principal Addresses and Advisers	3
Chair of Governors’ Foreword	4
Head’s Foreword	5
Structure Governance and Management	6
Aim of the Foundation	9
The St Dunstan’s Difference	12
Our 10 Year Strategy	13
Academic Achievement	15
Co-curricular Activities	16
Pastoral care and wellbeing	17
Bursaries and Scholarships	18
ISI Inspection	19
Equality and Diversity	20
Charity, Community and Partnerships	21
Partnerships	22
Community Engagement and Events	24
Sustainability	25
Dunstonian Relations	26
Financial Review	27

FINANCIAL STATEMENTS

Auditors’ Report	30
Financial Statements	32
Accounting Policies	36



TRUSTEES' REPORT

We as governors and Directors of the Corporate Trustee of the Charity, have pleasure in presenting the annual report and financial statements of the year ended 31 July 2022. The report covers the activities of St Dunstan's Educational Foundation which owns, operates and manages St Dunstan's College and also owns College Hire Limited.

The financial statements comply with current statutory requirements and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (Second Edition, effective 1 January 2019) ('SORP').

The governors have read the Charity Commission's guidance on public benefit and have paid due regard to the guidance as is evidenced in this report.

Principal Addresses and Advisors

ADDRESS AND CHARITY NUMBER

St Dunstan's College
Stanstead Road
London SE6 4TY

CHARITY REGISTRATION NO: 312747

EMPLOYMENT LEGAL ADVISORS

Judicium Education
72 Cannon Street
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EC4N 6AE

BANKERS

HSBC Bank Plc
City of London Commercial Centre
71, Queen Victoria Street
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EC4V 4AY

INVESTMENT MANAGERS

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LONDON
EC2M 2AN

AUDITOR

RSM UK Audit LLP
170 Midsummer Boulevard
Milton Keynes
BUCKINGHAMSHIRE
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FINANCIAL ADVISORS

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EC4N 8AL

SOLICITORS

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GLOUCESTERSHIRE
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Candlewick
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EC4R 9AT

Stone King LLP
Boundary House
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Barbican
LONDON
EC1M 6HR

Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
BRISTOL
BS1 4QA

Chair of Governors' Foreword



On behalf of the Governing Body of St Dunstan's Educational Foundation, I am delighted to submit this annual review, which recognises the enormous dedication and ambition from so many in delivering such an exciting and forward-thinking educational and charitable vision. We are all thankful that this year saw the return to a

much more normal school experience. It was so welcome to see the children once again engaged in a full, rich and varied curriculum, complete with trips, fixtures, adventurous activities and performances. It was also a particular pleasure to see the resumption of our significant broader charitable, community and partnership work, much of which is detailed in this review.

The Governing Body is responsible for agreeing the vision for the Foundation and the strategy which will enable the organisation to continue to grow and evolve, all of which is underpinned by a clear sense of values, and what makes St Dunstan's different. Our ten-year strategic objectives clearly capture the trajectory for the organisation in each area of the Foundation's work. These objectives allow us to carry out our statutory duties, ensuring compliance, approving policies, monitoring performance and reviewing key performance indicators for the Executive, via regular Board meetings and scheduled individual visits. Governors have been delighted by the progress made against these objectives, noting, in particular, the exceptional public examination results and range of higher education pathways achieved by our graduating cohort of Year 13 students. It was a wonderful accolade to be named Independent Senior School of the Year at the TES awards in the summer, in recognition of the ambitious and innovative approach to independent education being delivered by the staff at St Dunstan's.

I am delighted to note the continued increase in our Bursary provision, now amounting to an annual contribution of nearly £893,000, allowing access to our education for families who would otherwise be unable to do so. Our work with the Lewisham Young Leaders Academy takes us back to our foundation of wanting to make a difference to broader society. Use of our facilities, in particular giving access to swimming for local primary schools and to our Jubilee Sports Grounds for local schools and charitable groups is another important element of this. Our partnership with Bonus Pastor School is blossoming and I am delighted that we have been able

to sponsor a range of drama, music and sport scholarships from among their students. Our partnership with Tottenham Football club not only supports our own sporting provision but is becoming an integral part of our community, offering premier league standard coaching to local children through holiday development programmes. We have also welcomed a new partnership with the charity XLP, offering free pitch hire to support their football and life coaching project for young people across the borough of Lewisham.

The St Dunstan's Festival welcomed 10 local schools to come together making music with one another in Music Together and Community Sings, and our celebration of multiculturalism through the International Evening was exceptionally well attended. We were also able to offer 600 free tickets to the local community for the Open Air Cinema at the Jubilee Ground.

Charity was central to our calling in 1888 and it is wonderful to note the huge amount of money generated for good causes, including the St Dunstan's sleep out, raising £5,000 for Centrepont, and both resource and money raised in support of the Ukrainian appeal. Our Youth Mental Health Summit, with key note speaker and previous Deputy Head, Anthony Seldon, was opened to over 100 children from a range of different schools throughout the country.

Governors give their time voluntarily, and we are fortunate to have a broad range of expertise represented on our Board. I would like to thank my fellow Governors for all the time and expertise they bring to their respective roles. At the end of this academic year we said goodbye to Clair Wilkins, Bursar and Clerk to the Governing Body. I would like to acknowledge all she achieved for St Dunstan's in the time she was here. She leaves a legacy of fantastic new facilities which have greatly enhanced the learning spaces for our pupils from Junior School to Sixth Form and will continue to provide inspiration for future generations of Dunstonians. My thanks also to Judy Clements who steps down from the Governing Body this year after 10 years of service. We are most grateful for everything she has given us during her tenure.

I look forward to the coming year and am very grateful to the whole community of St Dunstan's for their ongoing belief and trust in the College.

Paul Durgan
Chair of Governors

Head's Foreword



Whilst education is, by its nature, never a proponent of 'normality', it is a comfort to note that this year has largely seen the return of our routines and customs, and most importantly enabled us to keep the children under our care at school, in the classroom and with their friends. As the world opened up once more, we were also able to reconnect with our wider

community, with a wealth of partnerships which have continued to develop across this year, and each of which is covered in more detail in this review.

The pandemic left its mark. Children returned at the beginning of the year after a period of national trauma and we, like so many schools across the country, had our work cut out, settling the children back into routines and ensuring our well-respected, inclusive and kind culture placed its root firmly back into the St Dunstan's sod. In many ways we consider ourselves well positioned to have achieved this. The culture of St Dunstan's has become a powerful force over the years and our strategic agility has allowed us to take some very deliberate steps in prioritising student behaviour, routines and pastoral care in our development plan for the year. I have been incredibly impressed by the way the pastoral teams and teachers have set about this vital task. What we have asked of the staff has been extraordinary, but they have responded with characteristic resilience, compassion and good humour. I really am most grateful to them.

The return of exams, both internal and public, was understandably unnerving for many, but I was most impressed by the focus and purpose of students, approaching the challenge with diligence and motivation, all the while supported by an exams team working flat out. I was delighted that their collective efforts were rewarded with record breaking outcomes – at A level 29% of all grades were A*, with 63% either A* or A, and 88% grades A*-B, and at GCSE 47% of all grades were 9 or 8, with 69% a grade 7 or above, and 85% grades 9-6. 96% of our students achieved their first choice of university and all of those applying to Art Foundation courses were successful.

Given the disruptions of the pandemic, it was particularly enjoyable to end the year with the joy of our Festival, and to see

the children once again relish performances in the Big Top, in our new Theatre and Great Hall. To see the Festival evolve into a platform for community collaboration is a great step forward and I am very pleased that the performing arts team at St Dunstan's are now working so closely with Bonus Pastor School – it is a really exciting partnership that will surely only go from strength to strength. The return of Adventure Week and other residential trips is also enormously refreshing. Outdoor education is such an important part of our educational offer as we know its importance in forging character and values in our young people and is something we are supporting in our partner schools also.

There have been a great many highlights from the year, not least the opening of our wonderful new facilities, with the incredible STEM, Sixth Form and Junior Schools opening in September and then the new Performing Arts Centre that swiftly followed including, of course, our spectacular new Theatre and Recital Rooms. We are excited by the opportunities for greater community engagement that these new spaces offer and to seeing what use our own students make of these enhanced facilities.

However, perhaps the biggest achievement of this year is further defining and championing our very unique identity as an independent school. A school that likes to do things differently not for the sake of it but because we recognise that independent education needs to change in this country. That it needs to address issues of culture, of equality, of privilege and responsibility. That it needs to use the gift of independence to carve out imaginative and meaningful frameworks for self-improvement, to showcase that there is a place for independent schools to be part of the broader societal agenda, and to work with local communities for the betterment of our society at large. Of course, I am absolutely delighted that all this was recognised in being awarded Independent Senior School of the Year at the TES awards, the gold standard of recognition in the Sector and firmly putting St Dunstan's on the map of the very best and leading independent schools in the United Kingdom. I do want to thank the whole community for the support and encouragement to get us to this point and look forward to our next chapter with great anticipation.

A handwritten signature in black ink, which appears to read 'Nick Hewlett'. The signature is stylized and fluid.

Nick Hewlett
Head

Structure, Governance and Management

GOVERNORS 2021-2022

The governors of St Dunstan's College were also the trustees of St Dunstan's Educational Foundation.
Until 25 January 2023 the trustees were:

		Appointed/End of Term	Members of Committee
Mr Paul Durgan	Chair		2, 4, 6
Mr Ian Davenport	Deputy Chair		
	Chair of Finance and Investment Committee		1, 2, 3, 4, 5, 6
Mrs Victoria Alexander			1, 6
Dr Yvonne Burne	Chair of Education Committee		1, 2
	Chair of Leadership & Governance Committee		
Mr Andrew Cairns			1
Ms Judy Clements		Term of Office ended July 2022	5, 6
Reverend Katherine Hedderly			
Mrs Linda Kiernan		Resigned December 2022	1
Alderman Nicholas Lyons			4
Mr Ken Marshall		Term of Office ended December 2022	4, 5, 6
Mrs Rosalind Meredith			4
Mr David Probert			5, 6
Miss Diane Robertshaw		Term of Office ended December 2022	
Mr Shams Rahman	Chair of Risk & Compliance Committee		2, 5, 6
Mr Jonathan Ronan			1
Mr Navdeep Sheera	Chair of Property Committee		2, 3, 4, 5

Committee Key

- 1 Member of the Education Committee
- 2 Member of the Leadership and Governance Committee
- 3 Trustee of the General Charitable Trust
- 4 Member of the Finance and Investment Committee
- 5 Member of the Property Committee
- 6 Member of the Risk and Compliance Committee

Structure, Governance and Management

GOVERNORS 2023

On the 25 January 2023, St Dunstan's Trustee Limited (company number 14407568) became the single corporate trustee of St Dunstan's Educational Foundation. See Note 24 of the Financial Statements.

The directors of St Dunstan's Trustee Limited are:

		Appointed	Members of Committee
Mr Paul Durgan	Chair	10 Oct 2022	1,2,3
	Chair of Leadership and Governance Committee		
Mr Ian Davenport	Deputy Chair	10 Oct 2022	1,2,3
	Chair of Finance and Resource Committee		
Mrs Victoria Alexander		10 Oct 2022	1,2
Dr Aman Bhandari		24 Mar 2023	1
Dr Yvonne Burne	Chair of Education Committee	10 Oct 2022	1,2
Mr Andrew Cairns		10 Oct 2022	1
Mr Nicholas Crawford		24 Mar 2023	1,3
Reverend Katherine Hedderly		9 Dec 2022	1
Mrs Rosalind Meredith		9 Dec 2022	3
Mr David Probert		9 Dec 2022	3
Mr Shams Rahman		10 Oct 2022	3
Mr Jonathan Ronan		10 Oct 2022	1
Mr Thomas Shave		24 Mar 2023	3
Mr Navdeep Sheera		10 Oct 2022	3
Prof. Mieke Van Hemelrijck		24 Mar 2023	1

Committee Key

- 1 Member of the Education Committee
- 2 Member of the Leadership and Governance Committee
- 3 Member of the Finance and Resource Committee

Structure, Governance and Management

EXECUTIVE STAFF

For the year ended 31 July 2022 the Foundation Executive Team (FET) comprised:

Mr N Hewlett	Head
Miss L Whitwood	Head of the Junior School
Mr J Holmes	Deputy Head Academic
Mrs J McLellan	Deputy Head Pastoral
Mrs C Wilkins	Bursar and Clerk
Mrs S Hopkins	Director of Finance

The key management personnel of the Foundation were the members of the College Leadership Team, which included the Head, Bursar and Clerk to the Governors, Head of the Junior School, Deputy Head Academic and Deputy Head Pastoral.

The Head and the Bursar and Clerk to the Governors attend all Committee and full Governing Body meetings. The remaining members of the FET attend all full Governing Body meetings, as well as the sub-committees as required. Other senior staff members from across the College are invited to attend any relevant governors' meetings as necessary.

From 1 August 2022, the Executive Team comprised:

Mr N Hewlett	Head
Miss L Whitwood	Head of the Junior School
Mr J Holmes	Deputy Head Academic
Mrs J McLellan	Deputy Head Pastoral
Mrs S Hutt	Chief Operating Officer
Ms H Fox	Chief Financial Officer (Appointed 6 Jan 2023)
Ms M Punt	Chief People Officer (Appointed 6 Jan 2023)



Structure, Governance and Management - The Governing Body

HISTORY AND CONSTITUTION

St Dunstan's Educational Foundation, an unincorporated charity, was established by a Principal Scheme in 1883. In 1888, St Dunstan's College opened in Catford, as an independent school, with an innovative technical curriculum. From the outset it was determined to be an accessible school, supporting families from a range of different backgrounds and income.

THE GOVERNING BODY

The Governing Body, also the Directors of St Dunstan's Trustee Limited, when complete, consists of 17 persons:

Three Ex-officio Governors:

- The Alderman of the Ward of Tower in the City of London.
- Two of the four Churchwardens of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East being those as appointed by the Parochial Church Council of the said Parish as the Churchwardens of St Dunstan-in-the-East. Each of the Churchwardens appointed by the said Parochial Church Council is appointed for a term of office ending on the date of the appointment of his or her successor.

Two Nominated Governors:

- The nominated governors are appointed by the Parochial Church Council of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East. Each of the nominated governors is appointed for a term of five years.

Twelve Co-opted Governors:

- The co-opted governors are appointed for a term of five years by a resolution of the governors. The Foundation assesses on an ongoing basis the mix of skills, knowledge and experience of its governors. To date the Foundation has been able to recruit co-opted governors using the wide-ranging contacts of existing governors, officers of the Foundation, alumni of St Dunstan's College, current parents and community partners.

APPOINTMENT OF NEW GOVERNORS

Following appointment by the Board, new governors are formally inducted by the Clerk to the Governors once they have accepted their appointment. This induction involves visiting the College, meetings with and being briefed by key staff, and the provision of a substantial background information pack on the Foundation and, in particular, the role and responsibilities of a trustee. All new governors are required to complete appropriate safeguarding checks and induction paperwork to comply with relevant policies, covenants and legislation.

All governors attend a study period once a year to receive presentations on key issues affecting the Foundation and the sector more widely, and to give them an opportunity to make strategic decisions about the future direction and policy of the Charity. To keep up to date with developments and changing legislation, many governors also attend various training days and seminars provided by the Association of Governing Bodies of Independent Schools, the Independent Schools Council, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, the Headmasters' and Headmistresses' Conference, and legal and accounting firms.

The strategic direction of the Foundation is exercised by the Governing Body, it being jointly and severally responsible for ensuring the strategic direction of the Charity. Delegated and detailed challenge and support of the various elements of the leadership and management of the College is given to the various sub-committees. All governors attend meetings of the Governing Body, which take place at least once in each school term, amounting to three meetings in any normal year. At these meetings, governors offer challenge and support to the Executive Leadership, as well as making strategic decisions about the future direction of the Charity and ensuring policies are being implemented effectively. The Education, Leadership and Governance, Finance and Investment, Property, and the Risk and Compliance Committees also meet each term prior to the full Governing Body meeting, so that the Chair of each sub-committee can present a short report to the full Board. Each Committee has a nominated Chair; the Chair of the Board of Governors and the Deputy Chair currently attend each Committee along with at least four other governors. Day to day running of the Foundation, the Senior School and the Junior School is delegated to the Head, who chairs the Foundation Executive Team (FET). The provision of support and business services for all aspects of the running of the Foundation is delegated to the Bursar. The responsibility for complying with all charity and related regulations is delegated to the Clerk.

RELATED ENTITIES

The Foundation has a wholly owned subsidiary company, College Hire Limited, Company Number 04396837. College Hire Limited has a license agreement with the Foundation to promote and manage the use of the Foundation's assets and facilities when not required by the College. The Deputy Chair is the Chair of the Board of Directors of the Company and the Chief Finance Officer is the Company Secretary.

The Friends of St Dunstan's College contribute generously to the College. Further information is provided in note 25 of the Accounts.

RISK MANAGEMENT

The governing body is responsible for ensuring that a robust system exists for identifying, managing and evaluating risk across the Foundation and that this process is regularly reviewed. The Foundation's Risk Register comprises strategic-level risks linked to the achievement of the Foundation's strategic objectives. It is grouped into five areas: Strategy & Leadership; Reputation; Business & Operations; Academic; and Pastoral. The Risk Register is maintained by the Executive Team, who assess and manage organisational risks and agree risk owners and mitigating actions and controls. This is reported to the Risk and Compliance Committee and to the Full Governing Body.

A serious incident log is also maintained by the Executive. The log captures incidents across the Foundation that are considered 'one-off', potentially posing significant risk to the Charity and its reputation. Trends within this log are reviewed termly by the Executive, alongside the Complaints Log and Bullying Log, with the necessary action plans to address any trends agreed and progressed. This is also reported to the Risk and Compliance Committee and the Full Governing Board.

PRINCIPAL RISKS AND UNCERTAINTIES

- The mental wellbeing of pupils and staff, following the impact of the COVID-19 pandemic
- Challenges associated with our local environment, in particular travel to and from school for pupils, staff and parents and the potential risks for pedestrians and cyclists
- External financial pressures, including: the rising costs of the Teachers' Pension Scheme, increased inflation, and the potential removal of business rates relief.

Detailed plans have been drawn up and implemented to mitigate these and all other high risks identified.

The College is providing increased pastoral support for pupils and for its staff. The College has increased its provision of counselling to students.

The Foundation continues to consider plans to alternative access routes and is involved in discussions as part of the wider regeneration project in Catford.

In order to address external financial pressures, the Foundation regularly prepares financial forecasts which reflect various economic scenarios. These are reviewed periodically by the governors. The Reserves Policy, set out later, also helps to ensure that the Foundation can withstand financial uncertainty. The Foundation is also working closely with HSBC in respect of ensuring the financial covenants within the loan facility are met.

MANAGEMENT BOARD AND REMUNERATION

Pay for the FET is reviewed annually by the Leadership and Governance Committee, which is made up of all the committee chairs and includes the Chair of Governors.

The Charity engages in educational benchmarking surveys and regularly monitors remuneration and benefits within the independent school sector.

Aim of the Foundation

OUR FOUNDATION

St Dunstan's Educational Foundation is an ambitious, forward-thinking community that champions individuality through a broad, liberal and academically exciting education. The Foundation's charitable objective is to provide a leading co-educational school for boys and girls in or near Lewisham, supporting and inspiring each student to find their own way, make their own mark, and discover who they are; becoming comfortable with their emerging identity and the diversity of life that surrounds them, whilst being unashamedly ambitious for themselves and their community. Pupils come from across the Lewisham and neighbouring London boroughs, and from a wide range of state and independent schools.

OUR ETHOS

Translating as 'Adorn the White', our College motto, *Albam Exorna*, is as relevant today as it was at the time of our Lewisham foundation, in 1888. The white shield that serves as three quarters of our College crest is a blank canvas onto which is emblazoned the as-yet-unwritten story of each St Dunstan's pupil.

We cherish our school of unique characters, each being encouraged to navigate their own journey through life whilst being nurtured to develop the Courage to be who they are, the Creativity to develop new ideas and approaches, the Confidence to try, succeed and fail, the Compassion to understand and appreciate others, and the Curiosity always to want to discover more.

OUR VISION

Our vision seeks to capitalise upon the rich and imaginative history of our College without being constrained by it, delivering a deliberately ambitious and forward-thinking approach to education without losing sight of the importance of supporting and inspiring individuality. St Dunstan's aspires for all our young people to thrive in every way – personally, physically, socially and academically – and the breadth of our curriculum and co-curriculum is entirely designed to support that ambition. Our community makes us who we are – our vibrant and grounded Lewisham location, our rich and inspiring history, our co-educational setting, and our eclectic Dunstonians, near and far – all of this sets the tone for a community that is particularly well positioned to embrace the range of challenge and opportunity presented by the globalised world of which we are now a part.

OUR VALUES

The values that we aspire to inculcate across our community are those of Courage, Creativity, Confidence, Compassion and Curiosity.

These values chime with the life of Saint Dunstan, an extraordinary man whose life is an inspiration to the deliberately broad and ambitious curriculum and co-curriculum we offer today, as well as our deep and sincere commitment to pastoral care and wellbeing, in its broadest possible sense.

1127

pupils attending
St Dunstan's College
Junior School and
Senior School



“

*An ambitious, forward-thinking
community that inspires and
supports individuals to thrive*

”

**The principal object of the Foundation
is to provide and conduct in or near
Lewisham, a day school for boys and girls.**



The St Dunstan's Difference

Th College is proud of our heritage and for being known to think differently about education.
The St Dunstan's Difference today can be defined as follows:

Trailblazing a forward-thinking independent education since 1888



Promoting high achievement without arrogance

Championing individuality, diversity and equality – albam exorna!



Developing values through a broad and liberal education

Supporting wellbeing as central to success



Growing ambitious and imaginative partnerships

Providing life-enriching opportunities to our local community



Infusing social conscience and ethical thinking

Our 10 Year Strategy

Our Education

St Dunstan's works with a range of partners to be at the forefront of educational thinking, continuing to challenge convention, taking courageous educational decisions, and remaining true to the broad, liberal, and values-driven education upon which it was founded. A culture of safeguarding children underpins all we undertake.

Our Pupils – Academic & other achievements

Pupils are inspired and supported as individuals, and in such a way that enables each of them to make outstanding and measurable achievement across a broad range of subjects and interests, making creative use of digital innovation as a key facilitator for progress.

Our Pupils – Personal development

Pupils have a strong sense of wellbeing that is rooted in being at one with who they are and the diverse environment in which they are situated; pupils actively demonstrate the values of St Dunstan's and consequently personify grounded, open-minded, articulate thinking, as active citizens of a changing global community.

Our Staff

St Dunstan's is an employer of choice in the sector, with staff seeking to work at St Dunstan's as a consequence of its clarity of purpose and vision, our unique identity and reputation, and a sincere commitment to staff development, creativity and voice, wellbeing, diversity and equality, and a culture of trust and transparency.

Our Dunstonians

St Dunstan's celebrates a vibrant alumni body which is plugged-in to the journey of the College. Consequently, alumni are engaged, proud and active ambassadors for the College, its community connections and philanthropic work.

Our Parents

Parents of all means apply and remain at St Dunstan's from an ever-widening catchment, because of a wholehearted belief in the ethos of the education at work. Parents are active participants in the development of the College, and communication to parents is such that they feel St Dunstan's genuinely understands their children as individuals and they are supported by robust procedures that are well understood.

Our Community

St Dunstan's believes in a broader educational purpose that supports the ongoing aspirations for the betterment of Lewisham and its residents, and knows that such work entirely aligns with the educational aims we have for our pupils. Working with local partners we provide life-enhancing opportunities to local people that seek to promote social mobility, engender wellbeing and improve communities in addition to responding with benevolence and charity to local needs and events.

Our Environment

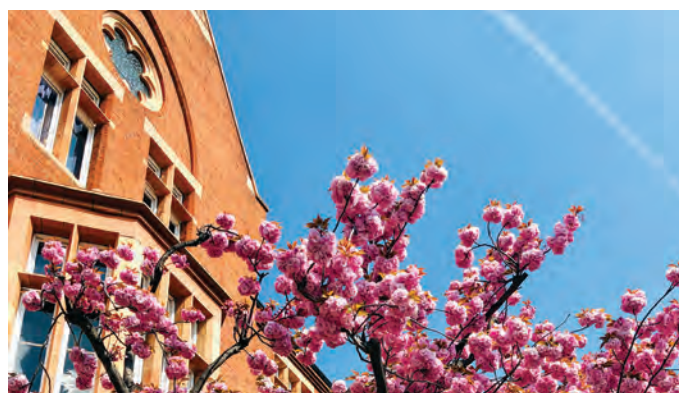
St Dunstan's has a clear and rolling programme of investment into its buildings and infrastructure, ensuring that we lead the way in developing an appropriate digital and physical environment for a forward-thinking educational charity. Well on our journey towards being a carbon-zero organisation, St Dunstan's sets ambitious standards for sustainability, both for itself and its partner organisations. Our south-east London site is regularly reviewed for safety, and our green space is enhanced by diversification of ecosystems and rewilding of a variety of rural habitats.

Our Business

St Dunstan's has a thriving business model that ensures efficiency of expenditure and diversification of income, maximising the use of growing and impressive assets, and actively expanding the reach of its brand, at home and overseas, through mergers, acquisitions and commercial partnerships.

Our Charity

St Dunstan's is a modern and forward-thinking educational charity that is constituted and structured in such a way that provides clarity of purpose, dynamic thinking, compliance and executive operational autonomy.



Our 10 Year Strategy

FUTURE CAPITAL PLANS

The Foundation will continue the extensive redevelopment of its estates, which in recent years has seen the opening of a £20m Junior School, STEM and Sixth Form STEM block, and deliver the following projects:

- Completion of a new Performing Arts Centre (Drama and Music Departments and a theatre)
- Expansion of the Wellness Centre to include Wellbeing, Inclusion and Enrichment Departments
- An innovative fives courts project, in conjunction with the Rugby Fives Association
- Significant redesign and refurbishment of the Sport and Fitness Centre
- Review of the Jubilee Grounds and any development opportunities available

PREVIOUS DEVELOPMENT PLAN 2018-2021 OBJECTIVES

Governors are delighted that excellent progress has been made in all areas of the previous Development Plan, as listed below, which is evidenced later in this report.

Our Pupils

- To have maintained high levels of pupil achievement through ambitious and forward-thinking teaching and academic leadership.
- To have maintained rapid rates of pupil progression through an ambitious culture of learning that is increasingly realising high levels of pupil attainment.
- To deliver an ambitious and forward-thinking co-curriculum which ensures engagement for all.
- To deliver an ambitious and forward-thinking examined and additional curriculum that best prepares our pupils for the future.
- To provide an ambitious and forward-thinking approach to assessment and the monitoring of pupil progress that engenders pupil agency in their own progression.
- To embed consistency in our approach to monitoring, communicating and responding to individual pupil safeguarding, wellbeing and learning needs.
- To improve the mechanisms by which we communicate with, listen to and respond to pupils.

Our Staff

- To develop an ambitious and forward-thinking approach to staff professional development.
- To have an ambitious and forward-thinking approach to staff well-being.
- To ensure that safeguarding is embedded at the forefront of everyone's thinking.

Our Environment

- To have an ambitious and forward-thinking approach to our delivery of information technology.
- To have developed safe and inspirational learning and working environments for our whole community.
- To have an ambitious and forward-thinking approach to sustainability across the community.

Our Partners

- To have developed an ambitious and forward-thinking approach to our community relationships and the mutual benefit that stems from them.
- To have an ambitious and forward-thinking programme of charitable giving and charitable partnerships.
- To have an ambitious and forward-thinking approach to parent communication.
- To be receiving tangible benefits from international engagements.

Our Business and Charity

- To have developed excellence in administrative and technical support.
- To have developed excellence in financial and business management.
- To be ambitious and forward thinking in our approach to generating income through effective marketing, development and fundraising.

Measurable Outcomes

The Foundation aims for quantifiable performance within Key Performance Indicators (KPIs):

- Recruitment of Pupils
- Retention of Pupils
- Results of Pupils

These KPIs are monitored regularly by the FET and Governing Body. The success of these has been captured and reported on throughout this report.

Academic Achievement

A Level Results 2022

88% achieving A* - B

63% achieving A* - A

GCSE Results 2022

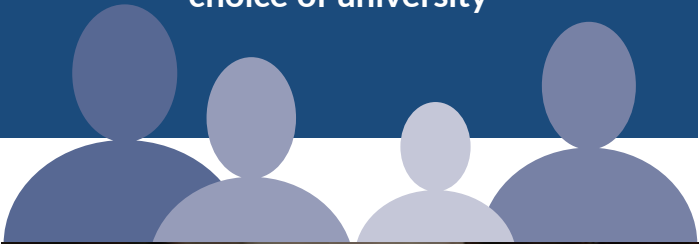
85% achieving 9-6

69% achieving 9-7



94%

of students secured their first choice of university



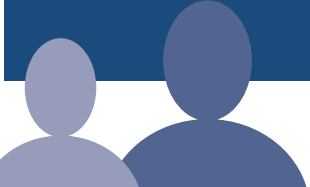
5

students went on to study at Oxford and Cambridge



3

students were accepted onto an Art Foundation course



University destinations included:

- University of Oxford
- University of Cambridge
- University College London (UCL)
- University of Exeter
- King's College London
- Cardiff University

Popular courses included:

- Biomedical Sciences
- Engineering
- English
- Geography
- History
- International Relations
- Psychology
- Theology & Religion
- Zoology

Co-curricular Activities

The Forder Programme is the name given to the College’s ambitious co-curricular programme.

In the Senior School, the Programme offers more than 200 activities across the course of any one week, representing a significant diversity of interests. The quality of art, drama, music, sport, Combined Cadet Force (CCF), Duke of Edinburgh Award Scheme and community service, as our core co-curricular areas, is deemed excellent by ISI and pupil participation is exceptionally high. The Programme is constantly evolving to represent the flavour and interests of the current students and staff and ranges from Tri Club to Amnesty, CCF to Warhammer and Music and Drama to Film Club.

In the Junior School, a similar breadth of choices is on offer, from Rugby Munchkins in Pre-Prep to British Sign Language, coding and drones and robots in the Prep.



200
activities taking place
each week in the College

“
Pupils embrace the very busy life of the College with enthusiasm and appear to be energetic and well adjusted
”
Independent Schools Inspectorate



Pastoral Care and Wellbeing

As a school, we strive to do more than equip our children academically for the future. Developing resilience has perhaps never been as important as it is now and our forward-thinking Usherwood pastoral programme has this aim at its heart. We focus on teaching children how to proactively manage their mental health, how to appreciate and celebrate the community's diversity, particularly neurodiversity, and how to show compassion and kindness within the St Dunstan's community and beyond. The work of our form tutors, allowing children to experience mindfulness practice or reflecting with them on good sleep hygiene is supported by the work of our state of the art Wellness Centre. This tranquil space is home to peer mentoring, counselling, and physical and mental health services.

Pastoral support is provided constantly throughout the College, in classrooms, during co-curricular activities and in the corridors. However, we are also very proud to have a dedicated Wellness Centre on our main College site. This centre provides a hub of services, including the College Nurse and healthcare team, the College Chaplaincy, two counsellors, our student Peer Mentors and our Youth Mental Health First Aiders. Additionally, the Wellness Centre provides our students with much-needed break-out space; the large, inviting reception area with its café-style seating is in near-constant use by students during break and lunch times, and offers a quiet respite space at other times.

PUBLIC BENEFIT

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences, which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy, together with our involvement in the community, contributes to a widening of access to the education we offer and the facilities we enjoy.

The College is part of a wider community, and it strives to ensure that we are fully integrated with it. A significant and growing community service programme, a range of educational benefits offered to local children and state schools, a community Summer Festival and regular review of how our facilities are best deployed for community use, out of term time, are all important features of College identity. The highlights and successes of our continued relationships with external community organisations are explained in the case studies section of this report.



“

The quality of the pupils' personal development is excellent

Independent Schools Inspectorate

”



Bursaries and Scholarships

St Dunstan's College continues to offer a generous scholarships and bursaries programme for Senior School students joining us at 11+ and 13+.

The Foundation awarded scholarships, bursaries and prizes to pupils to the value of £1,743k (2021: £1,802k).

BURSARIES FOR SENIOR SCHOOL PUPILS

This year the value of means tested bursaries, that were accepted, totalled £893k (2021: £820k) and represented 7.1% (2021: 6.5%) of our gross senior school fees. Bursaries provided assistance to 61 (2021: 57) of our pupils, of which 18 (2021: 17) pupils benefitted from a full remission of fees.

BURSARY POLICY

The governors view our bursary awards as important in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to families who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means, we take a number of factors into consideration including family income, investments and savings and family circumstances. However, the Foundation does not have a large endowment and in funding our awards we have to be mindful that we must ensure a 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 bursary awards range from 5% to 100% remission of fees. Further details of our bursary policy and how to apply are available on our website.



The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of all awards are also set out in note 2 to the financial statements.

SCHOLARSHIP POLICY

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees of either 10% or 25%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. Further details of our scholarship policy are available on our website.



Independent Schools Inspection (ISI) Report

Our most recent inspection from the Independent Schools Inspectorate (ISI) found the school to be 'excellent' in every category.

During their visit, inspectors spent time in an upwards of 90 lessons, seeing nearly every teacher at St Dunstan's. They met with teaching and non-teaching staff, and spent time with more than 100 pupils from the Nursery to the Sixth Form.

The leadership team, led by the Head, Nick Hewlett, were found to 'give every individual a chance to work out the person they want to be.'

The key findings:

- Pupils develop high levels of knowledge, skills, understanding and resilience as they move through the college.
- Pupils of all ages have outstanding attitudes to learning and are effective independent learners and thinkers.
- Pupils have outstanding communication skills and learn effectively by collaborating with their peers.
- Pupils achieve well in a wide range of curricular and co-curricular activities.
- Pupils show kindness and compassion for each other and a genuine appreciation for their community and the world beyond.
- Pupils of all ages develop strong self-understanding and self-confidence with assistance from staff who know them well and are highly supportive.
- Pupils of all ages are active and effective decision-makers.
- Pupils exhibit high standards of behaviour and moral awareness.
- Pupils' personal development is greatly enhanced by their richly diverse and inclusive community



“

Throughout the school pupils develop a wide range of academic, creative, physical and practical skills. as a result of the vision of the college's leadership team, who seek to give every individual a chance to work out the person they want to be. Pupils listen to each other carefully and with great respect from an early age and are able to value everyone's contribution to a discussion or argument and appreciate that it helps them learn

Independent Schools Inspectorate

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Equality and Diversity

The Governing Body of St Dunstan's Educational Foundation is proud of the diverse and vibrant community it leads and serves. The Board is committed to inculcating a culture of inclusion across the organisation that celebrates diversity and equality throughout all its charitable and commercial interests. This commitment is rooted in a fundamental recognition of the tremendous benefits bestowed on any organisation, and on society at large, as a consequence of championing diversity, as much as the Board recognises its obligations under the Equality Act 2010. A diverse Board that deliberately leads a culture of inclusion will produce better, more innovative decisions, furthering the organisation's reputation as a leader in equality and diversity across the Sector.

This commitment is manifest in the following ways:

1. Ensuring that the Board's membership reflects the broadest range of qualifications, skills, experiences, perspectives and the myriad of human identities essential to advancing its vision. To this end, the Leadership and Governance Committee, within the processes for identifying potential members on the Board, will search for highly skilled potential candidates who enable the Board to best reflect the diversity of the communities it serves, having particular regard to underrepresented groups, including but not limited to those represented by race, sex, disability, gender identity, gender expression and sexual orientation.
2. Ensuring that the Board's policies create an ambitious and forward-thinking framework for employees to be at one with who they are as an individual and to feel included within a diverse community that is committed to equality as defined under the Equality Act 2010. In so doing, to ensure adequate training of staff in the expectations of the organisation, its implementation of the Equality Act 2010 and ensuring best practice in recruitment, reasonable adjustments to working practices, and a culture of transparent dialogue around inclusion of all.
3. Ensuring that the Board's policies create an ambitious and forward-thinking curriculum for pupils such that they understand the meaning of the Equality Act 2010, the value of diversity in its fullest sense and are educated to understand their role in promoting a culture of inclusion and one that celebrates diversity and equality.
4. Ensuring that discrimination, in any form, will not be tolerated within the St Dunstan's community and we will be a proud and strong voice for equality, diversity and inclusion in all its forms

St Dunstan's Diapason

St Dunstan's has a structure for diversity and equality that brings together staff and students in partnership, and drives a strategy for the enhancement of diversity and equality across the organisation, in all areas, or Pillars. The purpose of the St Dunstan's Diapason is to work with the Executive Team to ensure an ongoing strategy is in place to celebrate and promote the benefits of diversity, audit and improve diversity, and build a culture of equality for all. In so doing, The Diapason takes responsibility for building the related documents associated with this policy for recommendation to the Executive Team, and to ensure that the overarching aims of the policy are being best fulfilled for each of the interest groups.

Auditing diversity and equality

We are committed to routinely auditing our diversity as an organisation and developing an ongoing strategy for how we can improve our diversity, its celebration and the education of its value, as well as better understanding barriers to equality and how they might be more effectively overcome.



Charity, Community and Partnerships

St Dunstan's College is passionate about our vibrant and diverse community; the residents of Catford and Lewisham, our pupils and their families, the organisations with whom we share spaces and ideas, and our international links and connections across London.

We know that classroom teaching and learning forms only one part of the educational journey. Learning from and giving to others, through involvement in our wider communities, is of equal importance in shaping compassionate and confident young people who can go on to make positive choices in their pathways through life.

We also recognise our privilege as an independent school, both in terms of our facilities and our pupils and staff; it is vitally important to us that this can be of benefit to communities that extend far beyond the school gates.

Responding to the war in Ukraine:

- £4,150 raised for DEC's Ukraine Appeal
- Junior School pupils also raised £767 for Ukraine DEC, with a cake sale
- Students and staff supported Lewisham Polish Centre's Collection with donations of clothes, blankets, gloves, sleeping bags and mats that were transported to refugees in Poland. Donations also included baby formula
- Pupils also wrote letters welcoming refugees to the United Kingdom



“

Pupils show compassion and kindness to each other and have a discernible appreciation for their community and the world beyond. They think deeply about the lives and experiences of others and about the values which are important to them and the school

”

Independent Schools Inspectorate

YOUNG MINDS £1,834		MACMILLAN £580
	UKRAINE DEC £4,917	
SAVE THE CHILDREN £169	WATERAID £181	COMIC RELIEF £1,073
	AFGHAN AID £168	

Partnerships - Case studies

At St Dunstan's College, we are proud to work with a number of external organisations, which benefits not only our pupils and staff but those in the local and wider community.

Lewisham Young Leaders Academy (LYLA)

In 2021, St Dunstan's College announced a new ground-breaking partnership with Lewisham Council and Westside Young Leaders Academy to establish the Lewisham Young Leaders Academy (LYLA). The Academy was established in response to research and evidence showing disparities in attainment and outcomes for Black Caribbean and dual heritage (Black Caribbean/White) children and young people, not just in Lewisham, but throughout London and the UK. Through weekend classes, Lewisham Young Leaders Academy provides additional support to young people from across Lewisham through transformative teaching in life skills, including leadership, teamwork, presentation skills and CV building.

The programme is designed to develop 12 traits of leadership in the young people attending: bearing, courage, decisiveness, enthusiasm, initiative, integrity, judgement, knowledge, loyalty, perseverance, responsibility and unselfishness. Whilst the Academy benefits from using St Dunstan's facilities, including our halls and STEM classrooms, staff from the school have also led some of the weekend sessions giving up their own time to lead workshops on climbing and martial arts. This project has been made possible thanks to the generous donation of an alumnus to the College.

60+
students attending
each week

100%
of parents said the
programme had
increased their child's
CONFIDENCE

Tottenham Hotspur Football Club

Our partnership with Tottenham Hotspur Football Club was launched in 2019, to create a Player Development Programme for students aged between 11 and 18, both within the College and within the wider community of Catford.

Tottenham Hotspur's Global Football Development team, work alongside staff from St Dunstan's College to deliver authentic training methods developed within the Club's Academy, designed to support and challenge young people to reach their full potential.

As part of the programme, the coaches monitor each player individually, giving them the opportunity to learn and develop their skills so they can play attacking football with flair, fluidity and passion, these being the hallmarks of the Club.

XLP

Our partnership with XLP Sports Project launched in 2022. The project uses sport and fitness as a means of engaging young people through structured training sessions, coaching, mentoring, tournaments and trips. The goal is to see young people develop respect for themselves and others, and the determination and discipline to work hard to achieve their goals. The College works closely with the XLP Catford team, providing weekly access to pitches for training and regular tournaments. There are also opportunities for students and parents to carry out work experiencing and mentoring within the organisation.



Partnerships - Case studies

London Academy of Excellence Tottenham

St Dunstan's College is proud to be a partner school of the award-winning London Academy of Excellence Tottenham. Offering both strategic guidance to the school, with the Head serving as a governor, our partnership also cultivates a number of opportunities for educational partnerships, benefitting students across our schools and from different parts of London.

Bonus Pastor Catholic College

St Dunstan's has continued to work closely with Bonus Pastor Catholic College. Pupils from the school have visited for a variety of events including subject masterclasses, careers events and our St Dunstan's Festival.

CCF

There is a strong link between the College's CCF and local state schools. Students from the community have formed part of our Contingent and their teachers help serve and work with our staff in running the cadet activities, to the mutual benefit of both sets of students.

We have continued to develop our partnerships with local state schools, where we actively consider any possible bursary and scholarship candidates for access to the College, but also look at other ways in which we might be able to support them.

Our careers events have been opened to students from these schools and masterclasses provided in particular subject areas.

Maths Challenge

Our Maths Department hosted the Maths Challenge Event for local state and independent schools. Visiting students competed in groups on problems from the UK Maths Trust to test their logical skills and mathematical knowledge.

Science Boxes

Our Physics Department created a Science Box Loan Programme, in which local schools could borrow scientific equipment for three weeks at a time. This allowed local children to have access to equipment such as visualisers, signal generators and loudspeakers, spectroscopes, BeeSpi V light gates and micro voltmeters.



Careers Convention

Our annual Careers Convention, which takes place annually in November, has been open to students of local schools. Students are invited to the evening, which includes exhibitors from the world of business and higher education.



DISCOVER SCIENCE

Physics Partners

WITH ST DUNSTAN'S COLLEGE AND PHYSICS PARTNERS

THE ROCHESTER BRIDGE TRUST HAVE KINDLY DONATED THE FUNDS TO BUY APPARATUS WITH THE SOLE PURPOSE OF BEING LOANED (FREE OF CHARGE) TO LOCAL STATE SCHOOLS.

The Discover Science Boxes include:

MINI RIPPLE TANK AND VISUALISER For practical of relating wavespeed = frequency x wavelength	SIGNAL GENERATOR AND LOUDSPEAKER For range of human hearing	6 SPECTROSCOPES To see spectrums of visible light
BEEspi V LIGHT GATES Easy to use, records speed of object passing through, used in any motion practical	MICRO VOLTMEETER To demonstrate induction	NARIKA GENECON GENERATOR MODULES To demonstrate power usage in parallel and series

To borrow a box, please email our Physics Technician, Simona Masna smasna@stdunstans.org.uk, with the box/dates you'd like to borrow. More boxes are being added soon, plus videos of how to use and in-person training events. Loans will last for three weeks.

The Discover Science Boxes will need to be collected and returned to St Dunstan's College, Stanstead Road, SE6 4TY.

#DiscoverStDunstans    

Community Engagement and Events

ST DUNSTAN'S FESTIVAL

St Dunstan's Festival is our annual explosion of activity that celebrates and elevates all that we are at the College. The 2021 Festival saw more than 160 events take place over 11 days including performances, exhibitions, workshops, lectures, and competitions; there was truly something for everyone.

Local schools were invited to take part in a variety of community events including our openair Music Together concert, an International Evening celebrating all cultures and races, and a Community Sings event in the Big Top, which brought together local choirs.

YOUTH MENTAL HEALTH SUMMIT

In October 2021, St Dunstan's College was delighted to host its inaugural Youth Mental Health Summit for young people. The summit, which was hosted in the College's Great Hall, was attended by more than 100 students from schools across the country.

Sir Anthony Seldon, former Vice-Chancellor of the University of Buckingham and previous Deputy Head of St Dunstan's, opened the summit with the keynote talk, 'Enough talk: how does one improve student mental health in practice?' St Dunstan's Deputy Head, Jade McLellan also led a keynote talk 'Child and adolescent brain development,' and Tom Telford, Head of Adventurous Activities, spoke about 'Thriving in a stressful environment.' Following the keynote talks, students then took part in a carousel of workshops.

This included 'Adaptability in a changing digital world' hosted by Finalsite's Lori Foster and Jak Blackwood; 'Managing your stress container' led by St Dunstan's Head of Psychology, Lois Haddington; and 'Understanding thought processes' with the school's counsellors Julia Gray and Fugen Hassan.



Sustainability

At St Dunstan's College, we are passionate about creating a sustainable future. Our new Environmental Policy, which was written by staff, pupils and members of our local community, was launched in 2021 and focuses on the following, overarching strategies:

1. To reduce the negative impact that our estates and facilities have on the environment.
2. To significantly reduce our carbon footprint, as part of our journey to becoming carbon neutral.
3. To educate ourselves and others on sustainability through effective collaboration, communication, and curriculum content.

We are working with a local company, RAFT, on reducing our carbon footprint through retrofit projects on our old buildings. The company has provided a number of exciting workshops, including a focus on architecture and thermal imaging to review the heat loss from various buildings.

Our new Junior School, STEM block and Sixth Form Centre achieved a 'BREEAM excellent' classification. A high priority was given to more sustainable construction methods, which were used to reduce the environmental impact, both during construction and for the life of the building thereafter. Examples include Brick Slip cladding, PV panels, intelligent BMS systems and LED lighting.

Our pupils are also leading the way with our target to significantly increase the biodiversity across our sites. Through the College Parliament, Sustainability Committee and Eco Society the young people plan, design and manage many areas around the College, including two large ponds (which are teeming with frogs, snails and newts), various wildflower beds, untouched wild areas, and herb and vegetable gardens.

All lights in the 19th Century buildings have been replaced with energy efficient LEDs and automatic shutdown software ensures that computers, TVs and projectors are turned off overnight.

An expert environmentalist is employed by our Catering Company to ensure that waste is reduced to the lowest possible

Extensive planning programme in place – more than 1,000 bulbs planted and 50 new trees added to the College site.

More than 100kg of wildflowers planted to grow and attract biodiversity.

New and improved cycle park to encourage families to leave their cars at home



quantity and reused to create energy. Single use plastic has been removed from our catering provision completely. Menus include a weekly 'meat free' day and many of the pupils across the College willingly select the vegetarian and vegan options.

Environmental assemblies are a regular feature in the calendar, as are sustainability Themes of the Week. Pupils collaborate on these topics regularly and drive positive change across our organisation. Pupils are passionate about creating a 'no waste' culture and many encourage thrifting, selling and sharing clothes and equipment. Sustainability Top Tips are regularly displayed on our video wall and pupils attend high profile community meetings to drive positive change.



Dunstonian Relations

The Dunstonian Association has existed since 1897 to support and facilitate ongoing relationships across the Dunstonian community, past and present. The Association celebrated its 125th anniversary at a special Black Tie Dinner held at the College on 30 March 2022.

All pupils, parents and members of staff automatically become 'Dunstonians' when leaving the school and, over the years, the Association has enjoyed the company of a wide range of Dunstonians, near and far, including Lords, Knights, Members of Parliament, Nobel Prize winners, writers, newscasters, and other influential members of society.

The Association operates from the College via the Dunstonian Office: it has over 4,000 members worldwide and all communications go through a special Alumni platform called SDConnect which keeps Dunstonians connected thanks to a monthly online newsletter, invitation to regular events or the receipt of a biannual alumni magazine called 'The Notes'. The Association also offers careers advice and job opportunities to the younger members of the alumni community, particularly St Dunstan's Sixth Formers or University students.

There is also a rich bank of Digital Archives of the College accessible through the alumni platform.

270

new registrations on the SDConnect platform



The Dunstonian Association

14

Dunstonian Events



Financial Review

These financial statements cover the year ended 31 July 2022 and include St Dunstan's Educational Foundation and its wholly owned subsidiary, College Hire Limited.

Overall, the Group's funds have increased during the year by £3,718k (2021: increase of £3,426k).

This is due to:

1. A strong operational performance leading to income before tax of £1,158k (2021: £1,861k). The school fees receivable for the year amounted to £16,735k (2021: £14,814k), representing a 13% increase over the previous twelve months.
2. Fall in the value of investments by £310k (2021: increase of £750k) due to stock market movements.
3. Gains of £1,888k (2021: £807k) on an interest rate swap to hedge the loan from HSBC.
4. Revaluation gain on investment properties of £1,055k.
5. Actuarial loss of £70k (2021: gain £7k) on a defined benefit pension scheme.

College Hire Limited achieved an operating profit after taxation of £147k (2021: £18k loss). In December 2019 HMRC determined that College Hire Ltd was not an 'eligible body' for an exemption under VAT Act 1994. Subsequently, HMRC has also concluded that all supplies made by College Hire Ltd were actually management services provided to the parent charity, St Dunstan's Educational Foundation. If College Hire Ltd's supplies were management services to the parent charity, then the estimated amount of VAT owed to HMRC at the balance sheet date is approximately £310k plus interest. The directors of College Hire Ltd, following expert advice from tax counsel, disagree with HMRC's conclusion and, as this obligation is not considered probable in their opinion this amount has not been recognised as a liability in these financial statements. The directors of College Hire Ltd have appealed HMRC's decision and await a tribunal hearing (see note 26).

Note 18 to the accounts sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Group's obligations on a fund-by-fund basis.

Tangible assets are all held for use by the College. Investments are held to create income and capital growth pending their utilisation on the objects of appeals, bequests or donations, or to match liabilities as appropriate. These are valued at cost or appropriate valuation (see note 11). During the year, two of the properties owned by the Foundation have been reclassified as investment properties and are included in these accounts at their market value (per an independent valuation carried out in January 2023).

GOING CONCERN

The governors have a reasonable expectation that the Group remains a going concern. See the accounting policy on page 36 for more details.

INVESTMENT PERFORMANCE

Governors are pleased with investment income. Governors are reviewing the investment strategy to ensure that this meets the needs of the Foundation going forward. The overarching investment objective is to maximise investment income while at least maintaining the value of the funds in real terms. An income target is set and reviewed annually.

During the year an investment income return of 3.5% (2021: 4.1%) was achieved on invested funds which are managed by UBS Wealth Management. It is anticipated that the rate of investment income return in 2022/23 will be around 3.0%.

There was a 6% increase (2021: 14.6% increase) in the FTSE 100 index over the year. In 2021/22 the Foundation's listed investments fell in value by 2% (2021: 15.3% increase).

INVESTMENT POLICY

The overall investment policy of the governors is to maintain a well-balanced portfolio of investments covering a spread of equities, gilts and properties to meet the needs of the Foundation in terms of both capital growth and income. This policy is not restricted by ethical or other considerations, however, this is currently under review.

FUNDRAISING PRACTICE

During the year, the Foundation has sought to raise funds from the wider school community. The Development Office and Head have approached parents, alumni and other individuals connected to the Foundation to seek donations towards the Foundation's development plans. Aside from this, the Foundation has not employed the assistance of any professional fundraisers or had fundraising carried out on its behalf.

The Foundation always aims to follow best practice in fundraising, and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charity Commission (CC), The Fundraising Regulator, The Institute of Fundraising (IoF) and The Information Commissioner's office. The Foundation is registered with the Fundraising Regulator and adheres voluntarily to the Regulator's Code of Fundraising Practice.

There have been no complaints with regards to fundraising in the year (2021: none).

RESERVES POLICY

The Group's Reserves Policy is to maintain sufficient unrestricted reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, and to rely on the readily realisable investments of the Foundation's unrestricted reserves for that purpose. The Foundation will apply from time to time to the Charity Commission in England and Wales to liquidate restricted or endowed reserves as adequate cover for the Foundation's longer-term capital expenditure commitments and any longer-term financial obligations.

At 31st July 2022, the Group had total reserves of £28,404k (2021: £24,686k).

Of these reserves £946k (2021: £894k) are "Restricted" and can only be utilised in accordance with the wishes of the original donor. The majority of these funds provide income for bursaries, scholarships, prizes and other specific purposes outlined by the donor in a specific deed or their will.

In addition, the Group had Permanently Endowed Funds of £12,683k (2021: £12,298k) at 31st July 2022. £8,567k of these Endowed Funds can only be realised by disposing of fixed assets. Endowment Funds originate from a Scheme made by the Charity Commission in 1869 under the Endowed Schools Act 1869. These "Endowed" funds again provide income for scholarships and bursaries and other charitable activities but if the Charity wishes to expend capital contained in these funds the trustees may need to seek Charity Commission approval depending on the nature of the proposed expenditure.

The balance of reserves is "Unrestricted". The Group had not designated any of these unrestricted reserves for a particular purpose at 31st July 2022. At 31 July 2022, the Group had unrestricted funds of £14,775k (2021: £11,494k).

The construction project for our new Junior School, STEM and Sixth Floor buildings was completed last year at a cost of £24.6m, and this year we have seen the last of these costs being transferred from Assets under Construction to Land and Buildings.

The Charity Commission authorised the trustees to spend the sum of not more than £23.6m from the Charity's permanent endowment for the construction of the new Junior School, STEM and Sixth Form building. At 31 July 2022 the value of this Recoupment Order is £22,469k (2021: £22,941k) (note 27). This balance is to be recouped through recoupment transfers of £470k per year over a 50 year term from August 2020 with the last

payment due in 2070.

The Trustee consider that the Group holds a sufficient level of unrestricted reserves to meet the Group's short-term financial obligations. At 31 July 2022 unrestricted listed investments were £4,012k (2021: £4,125k) and unrestricted net current liabilities were £848k (2021: 855k). The Trustee consider this is sufficient to enable all aspects of the Group's work to be conducted in an orderly and efficient manner and to provide cover for unexpected but unavoidable items of expenditure which cannot be funded from current income.



Mr Paul Durgan

On behalf of the trustees

Date: 24 March 2023

Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

Select suitable accounting policies and then apply them consistently:

- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable 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 charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report

TO THE TRUSTEE OF ST DUNSTAN'S EDUCATIONAL FOUNDATION

Opinion

We have audited the financial statements of St Dunstan's Educational Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated and Foundation Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and charity's affairs as at 31 July 2022 and of their incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee'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 or parent charity'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 trustee with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the Trustee's Report
- Sufficient accounting records have not been kept by the parent charity
- The parent charity financial statements are not in agreement with the accounting records and returns
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's responsibilities set out on page 29, the trustee is 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 trustee determines 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 trustee is responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the trustee either intends to liquidate the group or parent charity 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- Obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operate in and how the group and parent charity is complying with the legal and regulatory framework
- Inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud
- Discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://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 charity's trustee as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee 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 charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor Chartered Accountants
The Pinnacle 170 Midsummer Boulevard
Milton Keynes
BUCKINGHAMSHIRE
MK9 1BP

Date: 23 May 2023

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2022	Total 2021
		£k	£k	£k	£k	£k
INCOME FROM:						
Donations and Legacies	5	70	129	-	199	153
<i>Charitable activities</i>						
School fees receivable	2	16,750	(15)	-	16,735	14,814
Other educational income	3	722	-	-	722	611
Other ancillary income	3	150	-	-	150	99
<i>Other trading activities</i>						
Leisure club		330	-	-	330	148
School facility lettings		353	-	-	353	310
<i>Investments</i>	4	439	12	-	451	392
TOTAL INCOME		18,814	126	-	18,940	16,527
EXPENDITURE ON:						
<i>Cost of raising funds</i>	7	1,459	-	-	1,459	901
<i>Charitable activities</i>						
School operating costs	7	16,295	28	-	16,323	13,765
TOTAL EXPENDITURE		17,754	28	-	17,782	14,666
NET INCOME BEFORE TAX	8	1,060	98	-	1,158	1,861
Taxation for the year		(3)	-	-	(3)	-
NET INCOME AFTER TAX BEFORE INVESTMENT GAINS/(LOSSES)		1,057	98	-	1,155	1,861
Gains/ (losses) on investment assets		956	(46)	(165)	745	751
Gains on hedging instrument for loan		1,888	-	-	1,888	807
NET INCOME		3,901	52	(165)	3,788	3,419
Transfers between funds	18b	(550)	-	550	-	-
Actuarial (loss)/gain on defined benefit pension scheme	23	(70)	-	-	(70)	7
NET MOVEMENT IN FUNDS		3,281	52	385	3,718	3,426
RECONCILIATION OF FUNDS						
Total funds brought forward at 1st August 2021		11,494	894	12,298	24,686	21,260
Total funds carried forward at 31 July 2022		14,775	946	12,683	28,404	24,686

BALANCE SHEETS

	Note	Consolidated		Foundation	
		2022	2021	2022	2021
		£k	£k	£k	£k
FIXED ASSETS					
Tangible fixed assets	10	36,792	37,434	36,792	37,434
Investments	11,12	10,782	9,613	10,782	9,613
		47,574	47,047	47,574	47,047
CURRENT ASSETS					
Stock		12	8	6	4
Debtors due within one year	14a	1,021	717	1,119	795
Debtors due after more than one year	14b	1,279	-	1,279	-
Cash at bank and in hand	13	4,227	4,531	3,979	4,453
		6,539	5,256	6,383	5,252
CREDITORS:					
Amounts falling due within one year	15a	(5,369)	(5,890)	(5,213)	(5,831)
NET CURRENT ASSETS/(LIABILITIES)					
		1,170	(634)	1,170	(579)
TOTAL ASSETS LESS CURRENT ASSETS/(LIABILITIES)					
		48,744	46,413	48,744	46,468
CREDITORS:					
Amounts falling due after one year	15b	(19,543)	(20,923)	(19,543)	(20,923)
NET ASSETS EXCLUDING PENSION LIABILITY					
		29,201	25,490	29,201	25,545
Defined benefit pension scheme liability	23	(797)	(804)	(797)	(804)
TOTAL NET ASSETS					
		28,404	24,686	28,404	24,741
FUNDS					
Unrestricted		14,775	11,494	14,775	11,549
Restricted		946	894	946	894
Endowment		12,683	12,298	12,683	12,298
TOTAL FUNDS					
	17,18a	28,404	24,686	28,404	24,741

Approved by the trustees on 24 March 2023 and signed on their behalf by:



Mr Paul Durgan
Chair of Trustees

STATEMENT OF CASH FLOWS - CONSOLIDATED

	Note	2022 £k	2021 £k
Cashflows from operating activities:			
<i>Net cash provided by operating activities</i>	a	1,234	2,905
Cashflows from investing activities:			
Dividends, interest and rents from investments		451	392
Proceeds from the sale of property, plant and equipment		1	-
Purchase of property, plant and equipment		(1,145)	(15,228)
Proceeds from sale of investments		190	227
Purchase of investments		(301)	(681)
<i>Net cash (used in)/ provided by investing activities</i>		(804)	(15,350)
Cashflows from financing activities:		(734)	13,426
(Decrease)/ increase in borrowing		(734)	13,426
<i>Net cash provided by financing activities</i>		(304)	981
Change in cash and cash equivalents in the reporting period			
		4,531	3,550
Cash and cash equivalents at the beginning of the reporting period		4,227	4,531
Cash and cash equivalents at the end of the reporting period	b		
a) Reconciliation of net income/ expenditure to net cashflow from operating activities			
<i>Net income after tax and gains/losses (as per the statement of financial activities)</i>		3,718	3,426
Adjustments for:			
Depreciation charges		1,467	1,253
Gains on investments		(745)	(751)
Dividends, interest and rents from investments		(451)	(392)
Loss on the sale of fixed assets		-	107
Increase in stocks		(4)	-
(Increase)/decrease in debtors		(304)	262
(Decrease)/increase in creditors		(552)	(109)
Decrease in loan hedging instrument liability		(1,888)	(807)
(Decrease) in Defined Benefit Scheme liability		(7)	(84)
<i>Net cash provided by operating activities</i>		1,234	2,905
b) Analysis of cash and cash equivalents			
Cash in hand		4,227	4,531
Total cash and cash equivalents		4,227	4,531

STATEMENT OF CASH FLOWS – FOUNDATION ONLY

	Note	2022 £k	2021 £k
Cashflows from operating activities:			
<i>Net cash provided by operating activities</i>	a	1,066	2,863
Cashflows from investing activities:			
Dividends, interest and rents from investments		451	392
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(1,146)	(15,288)
Proceeds from sale of investments		190	227
Purchase of investments		(301)	(681)
<i>Net cash (used in)/provided by investing activities</i>		(806)	(15,350)
Cashflows from financing activities:			
Increase in borrowing		(734)	13,426
<i>Net cash (used in)/provided by financing activities</i>		(734)	13,426
Change in cash and cash equivalents in the reporting period		(474)	939
Cash and cash equivalents at the beginning of the reporting period		4,453	3,514
Cash and cash equivalents at the end of the reporting period	b	3,979	4,453
a) Reconciliation of net income/expenditure to net cashflow from operating activities			
<i>Net income for the reporting period (as per the statement of financial activities)</i>		3,663	3,444
Adjustments for:			
Depreciation charges		1,467	1,253
Gains on investments - unrealised		(860)	(750)
Losses/(gains) on investments - realised		115	(1)
Dividends, interest and rents from investments		(451)	(392)
Loss on the sale of fixed assets		-	107
Increase in stocks		(2)	-
(Increase)/ decrease in debtors		(324)	217
(Decrease)/increase in creditors		(647)	(124)
Decrease in loan hedging instrument liability		(1,888)	(807)
(Decrease) in Defined Benefit Scheme liability		(7)	(84)
<i>Net cash provided by operating activities</i>		1,066	2,863
b) Analysis of cash and cash equivalents			
Cash in hand		3,979	4,453
Total cash and cash equivalents		3,979	4,453

Accounting Policies

BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £k, unless noted otherwise.

The financial statements have been prepared, using the historical cost convention modified to include certain financial instruments at their fair value as explained in the relevant accounting policy. The principal accounting policies adopted are set out below.

GOING CONCERN

Detailed five-year financial modelling and scenario analysis has been performed demonstrating that the Group has sufficient cash and is able to meet the financial covenants within the Foundation's loan facility for at least 12 months following the signing of these financial statements. Scenarios considered included the loss of pupil numbers and reduction in the recoverability of fees. Key assumptions made in this scenario analysis included the ability to generate cash through the sale of the Foundation's unrestricted investments. In longer term projections the Foundation expects to achieve greater surpluses which will be reinvested in improving facilities in the medium and long term. Demand for places at the College is currently strong, although there is risk that the take up may be lower than forecast depending on the impact that the high inflationary economic environment may have on parents' ability to continue funding schooling.

GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, College Hire Limited, on a line-by-line basis. The charity has taken advantage of the concession offered not to present a separate Statement of Financial Activities for the Charity as a standalone entity.

INCOME RECOGNITION

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other remissions allowed by the College, but include contributions received from the Foundation and other sources.

Grants receivable for specific purposes are accounted for as restricted funds. Transfers are made from those funds to offset depreciation.

Grants related to the Coronavirus Job Retention Scheme are treated as income in the period to which each grant claim relates and is treated as other educational income in the Statement of Financial Activities.

INTEREST RECEIVABLE

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

DONATIONS

Donations received for the general purposes of the Foundation are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

The accounts of the Charity include the funds which are under the direct control of the governors.

EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenditure of the wholly owned trading subsidiary, College Hire Limited in running a leisure club, a commercial nursery and a lettings business as well as the Foundation's fundraising costs.
- Expenditure on charitable activities includes all expenditure in running a school and in particular teaching, premises and welfare costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Scholarships and bursaries are charged to expenditure in the period to which they relate.

ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly deliver charitable activities. Support costs include all administrative and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

OPERATING LEASES

Rentals payable are charged on a straight line basis over the lease term.

TANGIBLE FIXED ASSETS

Capitalisation and replacement

The original College land and buildings are carried at the value of property in June 1994 as valued by a professional adviser. In accordance with the transitional provisions of FRS102, this valuation has not been updated. Additions and improvements to the property since 1994 representing enhancements in value are stated at cost. The College is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred.

In the Foundation items costing less than £5,000 are written off as an expense as acquired. The capitalisation threshold within College Hire Limited is £500.

Where additions and improvements are under construction on permanently endowed land these are included within endowed funds.

Interest costs directly attributable to the financing of tangible fixed assets are capitalised at the cost of the related borrowings until the point of completion.

Depreciation

Depreciation of other assets is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

	Years
Buildings	50
Improvements and extensions	10-50
Furniture and equipment	3-25
Motor vehicles	5

No depreciation is provided on freehold land.

Depreciation for assets under construction will not commence until they are completed and come into use by the School.

STOCK

Stock is included at the lower of cost or net realisable value.

DEBTORS

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

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the Group 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 trade discounts due.

BORROWINGS

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

DERIVATIVES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statement of Financial Activities.

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities or assets

according to the substance of the contractual arrangements entered into.

Fixed asset investments

Fixed asset investments are initially measured at transaction price. Transaction price includes transaction costs, except where investments are measured at fair value through the Statement of Financial Activities when transaction costs are expensed to the Statement of Financial Activities as incurred.

The fair value of investments quoted on a recognised stock exchange are measured at market value through the Statement of Financial Activities.

Investment properties are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in the Statement of Financial Activities.

Fee, trade and other debtors

Fee, trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment for trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the Statement of Financial Activities.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised costs, being transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Advance fee scheme

Advance fee discounts are charged to finance costs as required by FRS 102 and included within the gross fees reflected in the financial statements.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently

re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified when the obligation specified in the contract is discharged cancelled or expires.

PENSION CONTRIBUTIONS

Retirement benefits to eligible employees of the Foundation are provided by The Teachers' Pension Scheme (TPS). This is a defined benefit scheme, which is externally funded. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method.

Group personal pension scheme

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the Scheme.

Independent Schools Pension Scheme

This is a defined benefit scheme managed by TPT Retirement Solutions (formerly the Pensions Trust). Employer contributions are charged to the Statement of Financial Activities as they become payable. The contributions are determined by qualified actuaries on the basis of triennial valuations.

Independent Schools Pension Scheme - Auto-Enrolment

From 1 April 2014 the Foundation opened a fourth pension scheme for all employees who were not entitled to or who had not opted to join one of the three existing schemes. Contributions are charged to the Statement of Financial Activities as they become payable.

FIXED ASSET INVESTMENTS

Investments have been stated at their fair value at the beginning and end of the financial year. Realised and unrealised gains and losses are calculated by reference to the market valuation of the relevant investments at the start of the financial year.

RESERVES

The Charity has permanently endowed funds, restricted funds and unrestricted funds. Restricted funds are separately accounted for in accordance with the terms of the originating deeds and documentation. In March 2007 the trustees received confirmation from leading Counsel that all original land and buildings, given to the Foundation in 1888 and additions thereto, were permanently endowed.

TAXATION

St Dunstan's Educational Foundation is a registered charity and as such its income and gains falling within Sections 518 to 564 of the Income Taxes Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income tax and capital gains tax to the extent that they are applied to its charitable objectives.

AGENCY ARRANGEMENT

The Charity has an arrangement with the Friends of St Dunstan's College (FSDC) to make payments and receipts on its behalf. FSDC is a formally constituted grouping of parents who arrange social and charitable events for the benefit of pupils of the College. The Charity includes funds held at the year-end within its financial statements as the sums involved are not material.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Charity's accounting policies the Trustee is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects more than one period.

There are not considered to be any significant estimates or assumptions that might materially affect the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 FINANCIAL PERFORMANCE OF THE GROUP

The Consolidated Statement of Financial Activities includes the results of the Charity's wholly owned subsidiary, College Hire Limited (note 6).

The trading company gift aids any distributable surpluses to the Foundation as shown in note 6 and the gift aid is included with the Statement of Financial Activities (SOFA) for the Charity. The standalone SOFA for the Charity has therefore not been included.

2 SCHOOL FEES RECEIVABLE	2022 £k	2021 £k
Fees receivable consist of:		
Gross fees	18,478	16,616
Less: Total scholarships, bursaries and other remissions	(1,743)	(1,802)
	16,735	14,814
Add: Contribution to fees made from Foundation	150	150
Total	16,885	14,964

The Charity contributed £150k (2021: £150k) internally towards scholarships and bursaries: £135k (2021: £128k) from Unrestricted funds; and £15k (2021: £22k) from Restricted Funds which is shown in brackets in the Restricted Funds column.

3 OTHER INCOME	2022 £k	2021 £k
<i>Other educational income</i>		
Entrance and registration fees	94	87
Examination fees	85	61
After school care	69	41
Other income from pupils	474	269
Coronavirus Job Retention Scheme (CJRS) income	-	153
Total	722	611

	2022 £k	2021 £k
<i>Other ancillary income</i>		
Tuck shop	46	5
Pupil transport to school	53	38
Rental income (tangible fixed asset)	46	38
Other ancillary income	5	18
Total	150	99

In 2022 and 2021 all other income is unrestricted income.

4 INVESTMENT INCOME	2022 £k	2021 £k
Interest receivable	2	1
Rental income (investment properties)	60	45
Listed investments	389	346
Total	451	392

The income from interest receivable totals £2k (2021: £1k) of which £2k (2021: £1k) was unrestricted and £nil (2021: £nil) was restricted.

All rental income is unrestricted in both years. This year two residential properties, known as the Groundsman's House and Polsted Road, have been transferred to investments, alongside the Foundation's investment in the Fordmill Road Depot adjacent to the Jubilee Ground.

All income from listed investments arises from stocks acquired through a UK Stock Exchange. Income totalling £377k (2021: £335k) is unrestricted with £12k (2021: £11k) included within restricted funds.

5 VOLUNTARY INCOME		2022 £k	2021 £k
Donations		168	90
Legacies		31	63
Total		199	153

The income from donations and legacies was £199k (2021: £153k) of which £70k (2021: £68k) was unrestricted and £129k (2021: £85k) was restricted. Income shown as legacies derives from a trust created by a former pupil in his will. This income derives from a commercial property administered by a Board of Trustees.

6 INCOME FROM TRADING ACTIVITIES

The wholly owned trading subsidiary, College Hire Limited, is incorporated in England and Wales (company number 04396837) and distributes all of its distributable profits to the charity under gift aid. College Hire Limited hires out facilities to the general public, charitable bodies and other hirers. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2022 £k	2021 £k
Turnover	698	460
Cost of sales and administration costs	(548)	(478)
Operating profit/(loss)	150	(18)
Taxation	(3)	-
Net profit/(loss)	147	(18)
Distribution to the charity	(95)	-
Retained in subsidiary	55	(18)
The assets and liabilities of the subsidiary were:		
Fixed assets	-	-
Current assets	358	143
Current liabilities	(358)	(198)
Total net assets/(liabilities)	-	(55)
Aggregate share capital and reserves	-	(55)

7 ANALYSIS OF EXPENDITURE

	Staff costs £k	Other costs £k	Depreciation £k	2022 £k	2021 £k
EXPENDITURE on					
<i>Cost of raising funds</i>					
Fundraising	-	-	-	-	36
Leisure club and lettings	458	80	-	538	481
Financing costs	-	891	-	891	355
Investment management fees	-	30	-	30	29
Total	458	1,001	-	1,459	901

	Staff costs £k	Other costs £k	Depreciation £k	2022 £k	2021 £k
<i>Charitable activities</i>					
School operating costs					
Teaching costs	8,575	982	2	9,559	8,356
Welfare costs	-	929	22	951	691
Premises costs	473	1,542	1,443	3,458	2,838
Support costs	1,396	931	-	2,327	1,853
Donations and prizes	-	28	-	28	27
	10,444	4,412	1,467	16,323	13,765
Total	10,902	5,413	1,467	17,782	14,666

Expenditure on charitable activities was £16,323k (2021: £13,765k) of which £16,295k was unrestricted (2021: £13,765k) and £28k was restricted (2021: £nil).

Analysis of governance and support costs

Support costs have been analysed below and are included within school operating costs, as the charitable activity of the College.

Governance costs include audit fees, trustee indemnity insurance, trustee expenses, legal and professional fees for constitutional matters and meeting costs. These are apportioned between the charitable activities undertaking and the cost of raising funds through letting on the basis of 90% being allocated to charitable activities and 10% to the raising of funds through trading.

	2022			2021		
	Support costs £k	Governance costs £k	Total £k	Support costs £k	Governance costs £k	Total £k
Staff and training costs	1,409	-	1,409	1,301	-	1,301
Marketing	213	-	213	131	-	131
Staff recruitment	80	-	80	49	-	49
Legal and professional fees	82	-	82	101	-	101
Pupil transport	84	-	84	68	-	68
Office costs	418	-	418	197	-	197
Administrative overheads	4	-	4	6	-	6
Governance						
Staff costs	-	64	64	-	60	60
Audit and other professional fees	-	60	60	-	48	48
Meeting and other governance costs	-	24	24	-	17	17
Total	2,290	148	2,438	1,853	125	1,978

8 NET INCOME FOR THE YEAR

	2022 £k	2021 £k
This is stated after charging:		
Operating leases – equipment and temporary building	50	95
Depreciation	1,467	1,253
Governors' liability insurance	1	1
Auditor's remuneration (including VAT)		
- Audit fees	46	42
- Other services – Corporate tax, VAT advisory and Teachers' Pensions Audit	9	6

9 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £k	2021 £k
Wages and salaries	8,799	7,817
Social security costs	904	818
Other pension costs	1,119	1,143
Total	10,902	9,778

The average monthly head count was 264 staff (2021: 237 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2022 Average Head count	2021 Average Head count	2022 FTE	2021 FTE
Teaching	95	93	100	92
Teaching Support	93	58	52	45
Administrative Support	55	66	44	57
Lettings	21	20	14	14
Total	264	237	210	208

The key management personnel of the College for the financial year 2021/ 22 were the College Leadership Team (CLT). The CLT included the Head, Bursar and Clerk to the Governors, the Deputy Head Pastoral, the Deputy Head Academic and Head of the Junior School. Their total remuneration including pensions, private medical cover and employer national insurance contributions amounted to £740k in this financial year (2021: £675k).

Redundancy and termination payments of £20k were made (2021: £41k).

Neither the governors nor persons connected with them received any remuneration or other benefits from the Foundation or any connected organisation.

The number of employees whose annual equivalent emoluments exceeded £60,000 during the period were:

	2022 Number	2021 Number
£60,001 to £70,000	9	9
£70,001 to £80,000	-	2
£80,001 to £90,000	3	-
£120,001 to £130,000	-	1
£130,001 to £140,000	1	-
£160,001 to £170,000	-	1
£170,001 to £180,000	1	-

Contributions were made to the Teachers' Pension Scheme of £158k (2021: £160k) in respect of 10 (2021: 9) of the employees reflected above (see note 22). Three (2021:3) higher-paid employees are members of the Independent Schools Pension Scheme - defined contribution scheme (see note 22). Contributions to this scheme during the year amounted to £22k (2021: £23k) for these other higher-paid employees. One (2021: 1) higher-paid employee is a member of the Independent Schools Pension Scheme - defined benefit scheme (see note 23). Contributions to this scheme during the year amounted to £9k (2021: £9k)

The expenses of Trustees in the year were as follows:

	2022 £	2021 £
Expenses to attend meetings (including annual conference)		
Governors – number: 6 (2021: 6)	301	325
Catering provided at meetings	357	107

10 TANGIBLE FIXED ASSETS

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
CONSOLIDATED					
Cost or valuation					
1 August 2021	41,472	168	4,192	1,149	46,981
Additions	106	-	155	884	1,145
Disposals	(479)	-	-	(6)	(485)
Transfers to investment property	(472)	-	-	-	(472)
Transfers	1,815	-	138	(1,953)	-
31 July 2022	42,442	168	4,485	74	47,169
Depreciation					
1 August 2021	6,985	166	2,396	-	9,547
Charge for the period	1,118	2	347	-	1,467
Released on disposal	(628)	-	-	-	(628)
Released on transfer to investment property	(9)	-	-	-	(9)
31 July 2022	7,466	168	2,743	-	10,377
Net book values					
31 July 2022	34,976	-	1,742	74	36,792
31 July 2021	34,487	2	1,796	1,149	37,434

Freehold land and buildings at valuation (£k)

Main College building

(Valued by Savills, Chartered Surveyors 27 April 1994)

1,700

The freehold land and buildings were valued at open market value on an existing use basis. The historical cost information in relation to these buildings is not available. The trustees have considered the holding value of the fixed assets stated above on implementing FRS 102 and consider the values stated above remain appropriate taking in to account the educational activities of the Charity.

Included in Land and Buildings is freehold land valued at £1,502k (2021: £1,502k) which is not depreciated.

St Dunstan's Educational Foundation has pledged land and buildings, which had a net book value of £33,978k at 31 July 2022, to secure a bank loan with HSBC by way of a fixed charge (note 15b).

Included in Land and Buildings is £373k capitalised interest on the bank loan and the hedging instrument. Of this balance £nil (2021: £322k) was capitalised during the year.

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
FOUNDATION					
Cost or valuation					
1 August 2021	41,472	168	4,168	1,149	46,957
Additions	106	-	155	884	1,146
Disposals	(479)	-	-	(6)	(485)
Transfers to investment property	(427)	-	-	-	(472)
Transfers	1,815	-	138	(1,953)	-
31 July 2022	42,442	168	4,461	74	47,145
Depreciation					
1 August 2021	6,985	166	2,372	-	9,523
Charge for the period	1,118	2	347	-	1,467
Released on disposal	(628)	-	-	-	(628)
Released on transfer to investment property	(9)	-	-	-	(9)
31 July 2022	7,466	168	2,719	-	10,353
Net book values					
31 July 2022	34,976	-	1,742	74	36,792
31 July 2021	34,487	2	1,796	1,149	37,434

11	INVESTMENTS	Consolidated and Foundation			
		Unrestricted	Restricted	Endowment	Total
		£k	£k	£k	£k
	Balance at 1 August 2021	4,785	704	4,124	9,613
	Additions	10	139	152	301
	Disposals at opening market value	(22)	(142)	(26)	(190)
	Revaluations	1,270	(47)	(165)	1,058
	Balance at 31 July 2022	6,043	654	4,085	10,782
	Listed on the Stock Exchange	4,012	653	4,085	8,750
	Property (see note 12)	2,030	-	-	2,030
	Funds held by Brokers for investment	1	1	-	2
	Total	6,043	654	4,085	10,782

The investments are registered in the name of UBS AG and managed by UBS Wealth Management on behalf of the Charity.

Historical cost of investments listed on the stock exchange is £8,307k (2021: £8,466k). See the table in Note 12 for the historical cost of the property.

There were no investments representing over five percent of the portfolio value.

Within the Foundation accounts is an investment of £1 in a subsidiary, College Hire Ltd. During the year this company ran the Leisure Club, and hired out other facilities to the general public, charitable bodies, the London Borough of Lewisham and other hirers. The Foundation owns 100% of the issued share capital of this company which is incorporated in the United Kingdom.

12 INVESTMENT PROPERTY

At 31 July 2022 the Foundation had three investment properties. One industrial property known as Fordmill Road Depot and two residential properties, the Groundsman's House and Polsted Road. A valuation was carried out on all three properties by Kinleigh Folkard & Hayward in January 2023.

	Carrying Value start of year	Revaluation	Carrying Value year end
	£k	£k	£k
Fordmill Road	660	70	730
Groundsman's House	254	296	550
Polsted Road	61	689	750
Total	975	1,055	2,030

13 CASH AT BANK AND IN HAND

As at 31 July 2022 £1m (2021: £1m) of the Foundation's cash balances are held as collateral to secure a bank loan with HSBC (note 15b). This amount is held in an interest-bearing account with the interest being in favour of the Foundation.

14a DEBTORS DUE WITHIN ONE YEAR

	Consolidated		Foundation	
	2022	2021	2022	2021
	£k	£k	£k	£k
Fee debtors	433	307	433	307
Trade debtors	250	110	181	94
Prepayments and accrued income	338	300	302	255
Amounts owed by group undertakings	-	-	203	139
Total	1,021	717	1,119	795

14b DEBTORS DUE AFTER MORE THAN ONE YEAR

	Consolidated		Foundation	
	2022 £k	2021 £k	2022 £k	2021 £k
Hedging instrument for loan (see note 15b)	1,279	-	1,279	-

15 a CREDITORS: DUE WITHIN ONE YEAR

	Consolidated		Foundation	
	2022 £k	2021 £k	2022 £k	2021 £k
Bank loan	1,000	750	1,000	750
Fees received in advance and deposits	1,354	1,128	1,354	1,128
Trade creditors	492	424	475	418
Taxation and social security	253	198	231	190
Pensions	150	142	150	141
Accruals and deferred income	1,004	1,628	889	1,584
Other creditors	265	786	263	786
Total	4,518	5,056	4,362	4,997
Advance fees (see note 16)	851	834	851	834
Total	5,369	5,890	5,213	5,831

15 b CREDITORS: AFTER MORE THAN ONE YEAR

	Consolidated and Foundation	
	2022 £k	2021 £k
Bank loan	17,997	18,963
Hedging instrument for loan	-	609
Advance fees (see note 16)	1,546	1,222
Other creditors	-	129
Total	19,543	20,923

Bank loan

St Dunstan's Educational Foundation entered into a ten-year loan facility with HSBC in November 2019. This facility had a contractual variable interest rate linked to GBP 3 month LIBOR plus a margin of 2.25%. This rate transitioned to SONIA plus a spread adjustment plus a margin of 2.25% from 31 January 2022.

St Dunstan's Educational Foundation is required to make quarterly repayments of the bank borrowings commencing the quarter ending 31 January 2021.

Bank borrowings are secured against the land and buildings of the Foundation (see note 10) and against collateral of £1m cash held in a bank account (see note 13)

The bank loan facility agreement places some restrictions on the Foundation. In particular, the Foundation is required to maintain prescribed interest loan cover and debt service cover ratios for the duration of the loan.

A summary of the scheduled repayments of the bank loan is shown below:

	Consolidated and Foundation	
	2022 £k	2021 £k
Over 5 years	14,250	15,250
Within 2 to 5 years	3,000	3,000
Within 1 to 2 years	1,000	1,000
	18,250	19,250
Within 1 year	1,000	750
Total	19,250	20,000

The amount owed to the bank at 31 July 2022 was £19m (2021: £20m). The difference between this amount and the value of the loan in the balance sheet (2022: £252k, 2021: £287k) is due to unamortised loan arrangement costs.

15 b CREDITORS: AFTER MORE THAN ONE YEAR continued

Hedging instrument for loan

St Dunstan's Educational Foundation is using an interest rate swap to manage its exposure to interest rate movements on its bank loan facility with HSBC. The Foundation entered into a variable to fixed interest rate swap with HSBC in December 2019. This contract swaps the variable rate of interest for the HSBC loan facility of GBP 3 month LIBOR (which will transition to SONIA plus a spread adjustment from 31 January 2022) for a fixed rate of 1.072% per annum for the period up to December 2029.

The interest rate swap was valued externally by the counterparty bank by calculating the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted LIBOR rates.

Other creditors

In April 2019 the Foundation entered into a 5 year agreement with Holroyd Howe to provide catering to the College.

Existing assets, comprising a walk in freezer, kitchen refurbishment and dishwasher with net total book value of £50k were transferred from the previous caterer. These continue to be treated as fixed assets and are being depreciated over 2 years.

During the 2018/19 financial year Holroyd Howe also invested in an upgrade of the servery facility costing £153k and a mixer and washing machine costing a total of £16k. These are being treated as fixed assets and are being depreciated over 10 years and 5 years respectively.

The above sums are being written back over the life on the contract with Holroyd Howe. Of the sum invested £84k is reflected in other creditors over one year and £19k in creditors under one year with £19k being released to the Statement of Financial Activities in the year.

A summary of the position regarding the release of these sums to the Statement of Financial Activities is shown below:

Consolidated and Foundation		
	2022 £k	2021 £k
Over 5 years	10	36
Within 2 to 5 years	55	48
Within 1 to 2 years	19	19
	84	103
Within 1 year	19	19
Total	103	122

16 ADVANCE FEE PAYMENTS

College tuition fees may be paid in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the College, advance fees will be applied as follows:

Consolidated and Foundation		
	2022 £k	2021 £k
Over 5 years	82	65
Within 3 to 5 years	415	623
Within 1 to 2 years	1,049	534
	1,546	1,222
Within 1 year	851	834
	2,397	2,056

The balance represents the accrued liability under the contracts. The capital movements during the period were:

	2022 £k	2021 £k
Balance at 1 August 2021/2020	2,056	2,091
New contracts (less repaid)	1,377	952
	3,433	3,043
Amounts utilised in payment of fees to the college	(1,036)	(987)
Balance at 31 July 2022/ 2021	2,397	2,056

17 ALLOCATION OF THE CHARITY'S NET ASSETS

2022 CONSOLIDATED

	Fixed Assets	Investments	Net Current Assets	Long Term Liabilities (including pensions)	Recoupment Order	Total
	£k	£k	£k	£k	£k	£k
Endowment Funds	31,036	4,085	31	-	(22,469)	12,683
Restricted Funds	-	654	292	-	-	946
Unrestricted funds	5,756	6,043	847	(20,340)	22,469	14,775
	36,792	10,782	1,170	(20,340)	-	28,404

FOUNDATION

Endowment Funds	31,036	4,085	31	-	(22,469)	12,683
Restricted Funds	-	654	292	-	-	946
Unrestricted funds	5,756	6,043	847	(20,340)	22,469	14,775
	36,792	10,782	1,170	(20,340)	-	28,404

2021 CONSOLIDATED

Endowment Funds	31,084	4,124	31		(22,941)	12,298
Restricted Funds	-	704	190		-	894
Unrestricted funds	6,350	4,785	(855)	(21,727)	22,941	11,494
	37,434	9,613	(634)	(21,727)	-	24,686

FOUNDATION

Endowment Funds	31,084	4,124	31	-	(22,941)	12,298
Restricted Funds	-	704	190	-	-	894
Unrestricted funds	6,350	4,785	(800)	(21,727)	22,941	11,549
	37,434	9,613	(579)	(21,727)	-	24,741

18a FUNDS

	Balance at 1 Aug 2021	Income	Expenditure	Realised unrealised gain/(losses)	Transfers	Balance at 31 July 2022
	£k	£k	£k	£k	£k	£k
Unrestricted:						
College plus College Hire Limited	7,884	18,389	(17,689)	886	(550)	8,920
Other	3,610	425	(68)	1,888	-	5,855
	11,494	18,814	(17,757)	2,774	(550)	14,775
Restricted funds:						
Development Fund	91	-	-	-	-	91
Bursary Fund	271	-	-	(5)	-	266
Prize and Other Funds	532	126	(28)	(41)	(18)	589
	894	126	(28)	(46)	-	946
Foundation Endowed funds:						
Foundation capital	12,132	-	-	(165)	550	12,517
Legacies	12	-	-	-	-	12
Prize and Other Funds	154	-	-	-	-	154
	12,298	-	-	(165)	550	12,683
TOTAL	24,686	18,940	(17,785)	2,563	-	28,404

A brief description of the funds is set out below:

Unrestricted funds

The “College plus College Hire” unrestricted reserves represent the accumulated surpluses generated by the College and its wholly owned trading company College Hire Limited during their period of operation.

The “Other” unrestricted reserves have arisen principally from the investment activities of the Foundation. These represent both surpluses on invested funds and accumulated investment gains arising from the sale and revaluation of invested assets over time.

Restricted funds

The Foundation has a significant number of restricted funds which have arisen since St Dunstan’s College opened in 1888. The largest of these funds are as follows:

Development Fund

This represents the balance of an appeal undertaken in the 1990’s which principally funded the building of the current Sports Hall on the Stanstead Road site.

Bursary Fund

This fund arises from an appeal in the 1980’s and 1990’s to raise funds to fund awards made to boys and girls attending the school. The income of this fund is utilised to fund such awards and the capital is invested to generate income.

Prizes and Other funds

These are funds which have been given to the Foundation over many years for specific purposes and are utilised in

accordance with the donor’s wishes. The largest of these funds is the Heaton Caffin Fund which represents a legacy given by a former pupil of the school which gives the income arising from a local commercial property through a Will Trust to the Foundation on an annual basis. The annual income is circa £60k and is to be utilised to further British exports (70%) and team games (30%) or in a manner determined by the trustees.

Most other funds in this category are specific prize funds, bursary or scholarship funds of a specific nature.

FOUNDATION ENDOWMENT FUNDS

Foundation Capital

This represents the permanently endowed funds of the Foundation. These funds originate from the original endowment which was effectively given to the Foundation in 1867 and subsequently, under various Schemes of Arrangement made by the Charity Commission. These monies originate from the Parish of St Dunstan-in-the-East in the City of London. They are represented by an endowed investment portfolio and property. The Trustee utilises these funds to make improvements to the endowed property in accordance with the originating Schemes of Arrangement.

Legacies

These represent the balance of various legacies which have been given to the Foundation.

Prize and Other Funds

These are other funds given to the Foundation generally via way of legacy or bequest.

18 b TRANSFERS

Transfers between the various funds were as follows:

	Unrestricted funds 2022 £k	Restricted funds 2022 £k	Endowment funds 2022 £k	Total 2022 £k
Additions to Endowed Property	(862)	-	862	-
Depreciation Adjustments to Endowed Property	911	-	(911)	-
Net additions to Endowed Investments	(126)	-	126	-
Recoupment Order	(473)	-	473	-
	(550)	-	550	-

The transfers above represent:

- The value of additions to tangible fixed assets which are situated on endowed land
- The depreciation of endowed tangible fixed assets, the expense for which is transferred from unrestricted funds to endowed funds
- The purchase of endowed investments from unrestricted funds
- The value of the net recoupment order (see note 17)

19 CONTRACTS AND COMMITMENTS

At 31 July 2022 the Group had capital commitments totalling approximately £nil (2021: £322k).

20 OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases for equipment and minibuses are as follows:

As lessee

	2022 £k	2021 £k
Amounts due:		
Within one year	50	50
Between two and five years	95	145
Total	145	195

As lessor

Amounts due:		
Within one year	42	42
Between two and five years	85	127
Total	127	169

The rental received as lessor relates to a property known as Fordmill Road Depot. It was let from 1 August 2020 on a five-year lease.

21 FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments at 31 July 2022 were as follows

	Consolidated		Foundation	
	2022 £k	2021 £k	2022 £k	2021 £k
Investments measured at fair value				
Stock market investments	8,750	8,952	8,750	8,952
Financial liabilities:				
Bank Loan	17,997	19,713	17,997	19,713
Hedging Instrument for Loan	-	609	-	609
Advance fees	2,397	2,056	2,397	2,056
Total	20,394	22,378	20,394	22,378

As noted in the accounting policies, the College operates five different pension scheme arrangements.

Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes employer contributions payable to the TPS of £1,030k (2021: £991k) and at the year-end £118k (2021 - £167k) was accrued in respect of employer and employee 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.

Valuation of the Teachers' Pension Scheme

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.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision 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.

Group Personal Pension Scheme

Under the terms of the new St Dunstan's Educational Foundation Group Personal Pension Scheme ("the Scheme"), which is open to all of the College's non-teaching employees, the College matches employees' contributions (at a rate of 3%, 5%, 6% or 7%) to his or her own individual policy with the Scheme provider, Phoenix AMP (formerly AMP/NPI). The Scheme was revised in the year 2000 to comply with Government legislation. Due to poor investment returns on this type of policy, the governors decided that the Foundation would allow non-teaching staff to join the Independent Schools Pension Scheme (ISPS), with effect from 1 February 2004. Most former members of the scheme have transferred to ISPS.

Employer contributions payable to the Scheme in the year amounted to £1k (2021: £1k).

Independent Schools Pension Scheme ("ISPS")

The Charity participates in the ISPS Pension Scheme.

This is a multi-employer scheme which provides benefits to some 61 non-associated 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 it 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 classified 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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2020. This actuarial valuation was certified on 22 December 2021 and showed assets of £201.1m, liabilities of £256.3m and a deficit of £55.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 September 2022 to 30 June 2032:
£2,687,000 per annum (payable monthly and increasing by 3% on each 1 September)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 September 2019 to 31 April 2030:
£2,387,357 per annum (payable monthly and increasing by 3% on each 1 September) The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities. Where the scheme is in deficit and where 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 that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

During the accounting period ended 31 July 2022 there has been a joint contribution rate of 23.1% comprising employer

contributions of 14.1% and member contributions of 9%. From 1 September 2022 the joint contribution rate will be 36.6%. Following a consultation with the staff members in the scheme, the employees' contributions will be increased to cover the rate increase. The employer contribution will remain at 14.1% and the employees' contribution rise to 22.5%.

As at the balance sheet date there were 9 (2021:12) active members of the Defined Benefit Scheme employed by the Foundation. Employer contributions during the year excluding past deficit contributions amounted to £39k (2021: £50k).

ISPS - Defined Contribution Scheme (Auto Enrolment)

With effect from 1 April 2014 the Foundation was required to enrol members of its staff not currently in a pension scheme, into a defined contribution scheme. The Foundation has used the Scheme provided by ISPS to meet its obligations under the auto-enrolment regulations. Employers and Employee rates are currently set at 3% and 5% respectively, with certain employees entitled to increase their employee contributions, with matching contributions from the Foundation of up to 10%. During 2014 employees of College Hire Limited also became entitled to join the Scheme. At the balance sheet date there were 78 (2021: 89) members active in this Scheme. During the year ended 31st July 2022 the Foundation has contributed £83k to this Scheme (2021: £88k).

Aviva Pension Trust for Independent Schools (APTIS) - Defined Contribution Scheme

With effect from 1 September 2020 the Foundation has allowed teachers to opt out of the Teacher Pensions Scheme and enrol in APTIS. The minimum employee contribution rate is 2% and the Foundation will contribute between 6.5% (minimum) and 16.5% (maximum) of an employee's salary. The employee selects the employer rate between these parameters and can select to receive additional salary of up to 10%. At the balance sheet date there were 4 (2021: 3) members active in this Scheme. During the year ended 31 July 2022 the Foundation has contributed £25k to this Scheme (2021: £7k).

23 DEFINED BENEFIT PENSION SCHEME LIABILITY

The Foundation as explained in note 22 is required under FRS 102 to account for its share of the funding deficits on the ISPS Scheme valuations as identified by the 2017 and 2020 valuations of this multi-employer Final Salary Scheme.

The movements on this provision have been as follows:

	Consolidated and Foundation	
	2022 £k	2021 £k
B/F liability at 1st August	804	888
Interest expense	8	7
Deficit contributions paid	(85)	(84)
Impact of change in assumptions	70	(7)
C/F liability at 31 July	797	804

The above deficit contributions and provision have been calculated and provided to the Foundation by TPT Retirement Solutions (formerly The Pensions Trust).

The provision and deficit contributions take in to account relevant discount rates and bond yields. The recovery plan for the Scheme is aimed at eliminating the funding shortfall by 30 June 2032.

Deficit contributions from 1 September 2020 were £6,946 per month until 1 September 2021 when these rose to £7,155 per month. The deficit contributions rose by 3% from 1 September 2022 and will rise again by 3% each year from 1 September 2023.

24 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

There has been a change in ultimate parent undertaking post year end. On 25 January 2023 St Dunstan's Trustee Limited (Company no. 14407568) of St Dunstan's College, Stanstead Road, LONDON, SE6 4TY became the single corporate trustee for St Dunstan's Educational Foundation.

25 AGENCY ARRANGEMENT

The Foundation has an agency arrangement with the Friends of St Dunstan's (FSDC) to hold monies on their behalf. FSDC is a Committee of parents who organise social events for the benefit of pupils and parents of the school. At 31 July 2022 the College held £23k (2021: £17k). The cash is held in the Foundation's bank account. This is a long standing arrangement which helps FSDC to undertake their activities which are all ultimately undertaken for the benefit of pupils of the school.

26 CONTINGENT LIABILITY

In December 2019 HMRC determined that College Hire Ltd was not an 'eligible body' for an exemption under VAT Act 1994. Subsequently, HMRC has also concluded that all supplies made by College Hire Ltd were management services provided to the parent charity, St Dunstan's Educational Foundation. If College Hire Ltd's supplies were managing services to the parent charity, then the estimated amount of VAT owed to HMRC at the balance sheet date is approximately £310k plus interest. The directors of College Hire Ltd, following expert advice from RSM UK Tax and Accounting Limited, disagree with HMRC's conclusion and, as this liability is not considered probable in their opinion this amount has not been recognised in these financial statements. The directors of College Hire Ltd have appealed HMRC's decision and await a tribunal hearing. They have sought opinion from tax counsel which is of the view that a tribunal is unlikely to uphold HMRC's analysis of the situation.

27 CHARITY COMMISSION RECOUPMENT ORDER

The following recoupment order is reflected in the financial statements at 31 July 2022:

Date of Order	Capital Sum £k	Amount Outstanding £k	Method of Recoupment	Last Payment Year
4 Aug 2020	23,413	22,469	£472k per annum for a period of 50 years	2070

The Commission has authorised the trustees to spend the sum of not more than £23.6m from the charity's permanent endowment for the construction of the new Junior School, STEM and Sixth Form building. At 31 July 2022 the capital sum of the recoupment order is £22,469k (2021: £22,941k).

28 ANALYSIS OF CHANGES IN NET DEBT

Consolidated

	At 1 Aug 2021 £k	Cash flows £k	At 31 Jul 2022 £k
Cash and cash equivalents			
Cash	4,531	(304)	4,227
	4,531	(304)	4,227
Borrowings			
Debt due within one year	(769)	(250)	(1,019)
Debt due after one year	(19,066)	984	(18,082)
	(19,835)	734	(19,101)
TOTAL	(15,304)	430	(14,874)
Foundation			
Cash and cash equivalents			
Cash	4,453	(474)	3,979
	4,453	(474)	3,979
Borrowings			
Debt due within one year	(769)	(250)	(1,019)
Debt due after one year	(19,066)	985	(18,081)
	(19,835)	735	(19,100)
TOTAL	(15,382)	261	(15,121)

29 POST BALANCE SHEET EVENT

In addition to the change in ultimate parent undertaking (note 24), on 9 February 2023 St Dunstan's Trustee Limited became the sole member of Thurlow Educational Trust Limited (Company no. 01186165) of 70, Thurlow Park Road, London SE21 8HZ.

Accounts

St Dunstan's Educational Foundation

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 July 2021

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

CONTENTS

PRINCIPAL DETAILS.....	3
STRUCTURE, GOVERNANCE AND MANAGEMENT.....	5
History and Constitution.....	5
The Governing Body.....	5
Related Entities.....	6
Management Board and Remuneration.....	6
Risk Management.....	6
Principle Risks and Uncertainties.....	7
OBJECTS, OBJECTIVES, AIMS AND ACTIONS.....	7
CHARITABLE OBJECTS.....	7
Vision.....	7
Values.....	7
The St Dunstan's Difference.....	8
STRATEGIC AIMS AND FUTURE PLANS 2021-2031.....	8
Future Capital Plans.....	9
Development Planning.....	10
PREVIOUS DEVELOPMENT PLAN, 2018-2021 OBJECTIVES.....	10
Measurable Outcomes.....	11
ACHIEVEMENTS AND PERFORMANCE.....	11
PRINCIPLE ACTIVITIES DURING THE YEAR.....	11
Examination Results.....	11
University Acceptance.....	12
Co-curricular Activities.....	12
PUBLIC BENEFIT.....	12
Bursary and Scholarship Awards.....	13
Partnerships, Community Projects and Access.....	14
The Arts, Sport, Community and our Environment.....	14
REVIEW OF FINANCIAL ACTIVITIES AND RESULTS FOR THE YEAR.....	16
GOING CONCERN.....	16
INVESTMENT PERFORMANCE.....	17
INVESTMENT POLICY.....	17
FUNDRAISING PRACTICE.....	17
RESERVES POLICY.....	17
STATEMENT OF TRUSTEES' RESPONSIBILITIES.....	19
AUDITOR'S OPINION.....	20
FINANCIAL STATEMENTS.....	23
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES.....	23
BALANCE SHEETS.....	24
STATEMENT OF CASH FLOWS - CONSOLIDATED.....	25
STATEMENT OF CASH FLOWS - FOUNDATION ONLY.....	26
ACCOUNTING POLICIES.....	27
NOTES TO THE FINANCIAL STATEMENTS.....	33

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

PRINCIPAL DETAILS

ADDRESS AND CHARITY NUMBER

St Dunstan's College
Stanstead Road
London SE6 4TY

CHARITY REGISTRATION NO.: 312747

GOVERNORS

The governors of St Dunstan's College who are also the trustees of St Dunstan's Educational Foundation, and who served during the year and subsequently were:

		Members of Committee
Mr Paul Durgan	Chair	4, 6
Mr Ian Davenport	Deputy Chair	1, 2, 3, 4, 5, 6
Mrs Victoria Alexander		1, 6
Dr Yvonne Burne		1, 2
Mr Andrew Cairns	(appointed 28 July 2021)	
Ms Judy Clements		5, 6
Reverend Katherine Hedderly		
Mrs Linda Kiernan		1
Alderman Nicholas Lyons		4
Mr Ken Marshall		4, 5, 6
Mrs Rosalind Meredith	(appointed 19 March 2021)	4
Mr David Probert		5, 6
Miss Diane Robertshaw		
Mr Shams Rahman		2, 5, 6
Mr Jonathan Ronan		
Mr Navdeep Sheera		2, 3, 4, 5
Committee Key		
1 Member of the Education Committee		
2 Member of the Leadership and Governance Committee		
3 Trustee of the General Charitable Trust		
4 Member of the Finance and Investment Committee		
5 Member of the Property Committee		
6 Member of the Risk and Compliance Committee		

EXECUTIVE STAFF

From 1 September 2021 the Foundation Executive Team (FET) comprised:

Mr N Hewlett	Headmaster
Mrs C Wilkins	Bursar and Clerk to the Governors
Miss L Whitwood	Head of the Junior School
Mr J Holmes	Deputy Head Academic
Mrs J McLellan	Deputy Head Pastoral
Mrs S Hopkins	Finance Director

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

Prior to 1 September 2021, the key management personnel of the Foundation were the members of the College Leadership Team, which included the Headmaster, Bursar and Clerk to the Governors, Head of the Junior School, Deputy Head Academic and Deputy Head Pastoral.

The Headmaster and the Bursar and Clerk to the Governors attend all Committee and full Governing Body meetings. The remaining members of the FET attend all full Governing Body meetings, as well as the sub-committees as required. Other senior staff members from across the College are invited to attend any relevant governors' meetings as necessary.

The Headmaster is a member of the Headmasters' and Headmistresses' Conference (HMC). The Head of the Junior School is a member of the Independent Association of Prep Schools (IAPS).

PROFESSIONAL ADVISORS

SOLICITORS	
Harrison Clark Rickerbys Limited Ellenborough House Wellington Street Cheltenham GLOUCESTERSHIRE GL50 1YD	Mills & Reeve LLP 24 King William Street Candlewick LONDON EC4R 9AT
Stone King LLP Boundary House 91 Charterhouse Street Barbican LONDON EC1M 6HR	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay BRISTOL BS1 4QA
EMPLOYMENT LEGAL ADVISORS	
Judicium Education 72 Cannon Street LONDON EC4N 6AE	
BANKERS	INVESTMENT MANAGERS
HSBC Bank Plc City of London Commercial Centre 71, Queen Victoria Street LONDON EC4V 4AY	UBSAG 5 Broadgate LONDON EC2M 2AN
AUDITOR	FINANCIAL ADVISORS
RSM UK Audit LLP Statutory Auditor Chartered Accountants 170 Midsummer Boulevard Milton Keynes BUCKINGHAMSHIRE MK9 1BP	Rothschild & Co New Court St Swithin's Lane London EC4N 8AL

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

We, as governors, and also as trustees of the Charity, have pleasure in presenting the annual report and financial statements for the year ended 31 July 2021. The report covers the activities of St Dunstan's Educational Foundation, which owns, operates and manages St Dunstan's College and also owns College Hire Limited.

The financial statements comply with current statutory requirements and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (Second Edition, effective 1 January 2019) ('SORP').

The governors have read the Charity Commission's guidance on public benefit and have paid due regard to the guidance as is evidenced in this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

History and Constitution

St Dunstan's Educational Foundation, an incorporated charity, was established by a Principal Scheme in 1883. In 1888, St Dunstan's College opened in Catford, as an independent school, with an innovative technical curriculum. From the outset it was determined to be an accessible school, supporting families from a range of different backgrounds and income.

The Governing Body

The Governing Body, when complete, consists of 17 persons, being:

- Three Ex-officio Governors:
 - The Alderman of the Ward of Tower in the City of London.
 - Two of the four Churchwardens of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East being those as appointed by the Parochial Church Council of the said Parish as the Churchwardens of St Dunstan-in-the-East. Each of the Churchwardens appointed by the said Parochial Church Council is appointed for a term of office ending on the date of the appointment of his or her successor.
- Two Nominated Governors:
 - The nominated governors are appointed by the Parochial Church Council of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East. Each of the nominated governors is appointed for a term of five years.
- Twelve Co-opted Governors:
 - The co-opted governors are appointed for a term of five years by a resolution of the governors. The Foundation assesses on an ongoing basis the mix of skills, knowledge and experience of its governors. To date the Foundation has been able to recruit co-opted governors using the wide-ranging contacts of existing governors, officers of the Foundation, alumni of St Dunstan's College, current parents and community partners.

Appointment of New Governors

Following appointment by the Board, new governors are formally inducted by the Clerk to the Governors once they have accepted their appointment. This induction involves visiting the College, meetings with and being briefed by key staff, and the provision of a substantial background information pack on the Foundation and, in particular, the role and responsibilities of a trustee. All new governors are required to

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

complete appropriate safeguarding checks and induction paperwork to comply with relevant policies, covenants and legislation.

All governors attend a study period once a year to receive presentations on key issues affecting the Foundation and the sector more widely, and to give them an opportunity to make strategic decisions about the future direction and policy of the Charity. To keep up to date with developments and changing legislation, many governors also attend various training days and seminars provided by the Association of Governing Bodies of Independent Schools, the Independent Schools Council, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, the Headmasters' and Headmistresses' Conference, and legal and accounting firms.

The strategic direction of the Foundation is exercised by the Governing Body, it being jointly and severally responsible for ensuring the strategic direction of the Charity. Delegated and detailed challenge and support of the various elements of the leadership and management of the College is given to the various sub-committees. All governors attend meetings of the Governing Body, which take place at least once in each school term, amounting to three meetings in any normal year. At these meetings, governors offer challenge and support to the Executive Leadership, as well as making strategic decisions about the future direction of the Charity and ensuring policies are being implemented effectively. The Education, Leadership and Governance, Finance and Investment, Property, and the Risk and Compliance Committees also meet each term prior to the full Governing Body meeting, so that the Chair of each sub-committee can present a short report to the full Board. Each Committee has a nominated Chair; the Chair of the Board of Governors and the Deputy Chair currently attend each Committee along with at least four other governors. Day to day running of the Foundation, the Senior School and the Junior School is delegated to the Headmaster, who chairs the Foundation Executive Team (FET). The provision of support and business services for all aspects of the running of the Foundation is delegated to the Bursar. The responsibility for complying with all charity and related regulations is delegated to the Clerk.

Related Entities

The Foundation has a wholly owned subsidiary company, College Hire Limited, Company Number 04396837. College Hire Limited has a license agreement with the Foundation to promote and manage the use of the Foundation's assets and facilities when not required by the College. The Deputy Chair is the Chair of the Board of Directors of the Company and the Bursar is the Company Secretary.

The Friends of St Dunstan's College contribute generously to the College. Further information is provided in note 25 of the Accounts.

Management Board and Remuneration

Pay for the FET is reviewed annually by the Leadership and Governance Committee, which is made up of all the committee chairs and includes the Chair of Governors.

The Charity engages in educational benchmarking surveys and regularly monitors remuneration and benefits within the independent school sector.

Risk Management

The governors are responsible for overseeing the risks faced by the Charity. Detailed consideration of risk and its mitigation is delegated to the FET. Risks are identified through effective use of the Foundation's risk register and are also assessed by: the College Health and Safety Committee (which includes senior and middle leaders); the Inspection and Compliance Committee (which includes senior leaders) and the Governor Risk and Compliance Committee. The risk register identifies potential risks which are grouped into four sections: 1) strategic and reputational risks; 2) operational risks; 3) compliance risks and 4) financial risks. The detailed risk

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

register is analysed and discussed by the Risk and Compliance Sub-Committee and an executive summary is produced three times a year for each of the full Board meetings of governors.

A formal review of the Health and Safety Policy and other key Policies is undertaken by the Foundation's Risk and Compliance Committee annually. An organic and 'live' serious incidents log is also maintained by the FET and is reported to all committee and full Board meetings. This document captures all current incidents from across the Charity that are considered 'one-off' incidents that pose the potential for significant risk to the Charity and its reputation. Trends within this log are reviewed termly by the FET, alongside the complaints log and bullying log, and actions are formulated as a consequence. An annual report is presented to the full Board at its summer meeting looking at annual trends in serious incidents, bullying, parental concerns and complaints, in order to offer challenge and ensure appropriate action is being taken to mitigate against risk.

Principle Risks and Uncertainties

- The mental wellbeing of pupils and staff triggered by the COVID-19 pandemic
- Challenges associated with our local environment, in particular travel to and from school for pupils, staff and parents and the potential risks for pedestrians and cyclists
- External financial pressures, including: the rising costs of the Teachers' Pension Scheme, increased inflation, and the potential removal of business rates relief.

Detailed plans have been drawn up and implemented to mitigate these and all other high risks identified.

The College is providing increased pastoral support for pupils and for its staff. The College has increased its provision of counselling to students.

The Foundation has plans to provide access to the College from Ravensbourne Park. Other potential access routes are also being considered. The new Junior School, STEM and Sixth Form block and other re-development work has meant that pupils enjoy better air quality during lessons and break time.

In order to address external financial pressures, the Foundation regularly prepares financial forecasts which reflect various economic scenarios. These are reviewed periodically by the governors. The Reserves Policy, set out later, also helps to ensure that the Foundation can withstand financial uncertainty. The Foundation is also working closely with HSBC in respect of ensuring the financial covenants within the loan facility are met.

OBJECTS, OBJECTIVES, AIMS AND ACTIONS

CHARITABLE OBJECTS

The principal object of the Foundation is to provide and conduct in or near Lewisham, a day school for boys and girls.

Vision

The vision of the Foundation is to be 'An ambitious forward-thinking community that inspires and supports individuals to thrive'.

Values

St Dunstan's College is a values-rooted school, business and charity. Our vision seeks to capitalise upon the rich and imaginative history of our College without being constrained by it, delivering a deliberately ambitious and forward-thinking approach to education without losing sight of the importance of supporting and inspiring individuality. St Dunstan's aspires for all its young people to thrive in every way – personally, physically, socially

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

and academically - and the breadth of the curriculum and co-curriculum is entirely designed to support that ambition. Our community is a key determinant in defining who we are – our vibrant and grounded Lewisham location, our rich and inspiring history, our co-educational setting, and our eclectic Dunstonians, near and far – all of this sets the tone for a community that is particularly well positioned to embrace the range of challenge and opportunity presented by the globalised world of which we are now a part.

It is our aspiration that, through an innovative approach to the fulfilment and embellishment of this vision, and through a broad and far-reaching education, the College will help its young men and women develop as individuals, to be at ease with themselves and others, and to have a thirst for the richness of life that is aided by having developed the following values of character:

- Confidence
- Courage
- Creativity
- Curiosity
- Compassion

The St Dunstan's Difference

- Trailblazing a forward-thinking independent education since 1888
- Promoting high achievement without arrogance
- Championing individuality, diversity and equality – *albam exorna!*
- Developing values through a broad and liberal education
- Supporting wellbeing as central to success
- Growing ambitious and imaginative partnerships
- Providing life-enriching opportunities to our local community
- Infusing social conscience and ethical thinking

STRATEGIC AIMS AND FUTURE PLANS 2021-2031

The governors agreed the following ten-year strategic aims in 2021:

Our Education

St Dunstan's works with a range of partners to be at the forefront of educational thinking, continuing to challenge convention, taking courageous educational decisions, and remaining true to the broad, liberal, and values-driven education upon which it was founded. A culture of safeguarding children underpins all we undertake.

Our Pupils – Academic and other achievements

Pupils are inspired and supported as individuals, and in such a way that enables each of them to make outstanding and measurable achievement across a broad range of subjects and interests, making creative use of digital innovation as a key facilitator for progress.

Our Pupils – Personal development

Pupils have a strong sense of wellbeing that is rooted in being at one with who they are and the diverse environment in which they are situated; pupils actively demonstrate the values of St Dunstan's and consequently personify grounded, open-minded, articulate thinking, as active citizens of a changing global community.

Our Staff

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

St Dunstan's is an employer of choice in the sector, with staff seeking to work at St Dunstan's as a consequence of its clarity of purpose and vision, our unique identity and reputation, and a sincere commitment to staff development, creativity and voice, wellbeing, diversity and equality, and a culture of trust and transparency.

Our Dunstonians

St Dunstan's celebrates a vibrant alumni body which is plugged-in to the journey of the College. Consequently, alumni are engaged, proud and active ambassadors for the College, its community connections and philanthropic work.

Our Parents

Parents of all means apply and remain at St Dunstan's from an ever-widening catchment, because of a wholehearted belief in the ethos of the education at work. Parents are active participants in the development of the College, and communication to parents is such that they feel St Dunstan's genuinely understands their children as individuals and they are supported by robust procedures that are well understood.

Our Community

St Dunstan's believes in a broader educational purpose that supports the ongoing aspirations for the betterment of Lewisham and its residents and knows that such work entirely aligns with the educational aims we have for our pupils. Working with local partners we provide life-enhancing opportunities to local people that seek to promote social mobility, engender wellbeing, and improve communities in addition to responding with benevolence and charity to local needs and events.

Our Environment

St Dunstan's has a clear and rolling programme of investment into its buildings and infrastructure, ensuring that we lead the way in developing an appropriate digital and physical environment for a forward-thinking educational charity. Well on our journey towards being a carbon-zero organisation, St Dunstan's sets ambitious standards for sustainability, both for itself and its partner organisations. Our south-east London site is regularly reviewed for safety, and our greenspace is enhanced by diversification of ecosystems and rewilding of a variety of rural habitats.

Our Business

St Dunstan's has a thriving business model that ensure efficiency of expenditure and diversification of income, maximising the use of growing and impressive assets, and actively expanding the reach of its brand, at home and overseas, through mergers, acquisitions and commercial partnerships.

Our Charity

St Dunstan's is a modern and forward-thinking educational charity that is constituted and structured in such a way that provides clarity of purpose, dynamic thinking, compliance and executive operational autonomy.

Future Capital Plans

The Foundation will continue the extensive redevelopment of its estates, which in recent years has seen the opening of a £20m Junior School, STEM and Sixth Form STEM block, and deliver the following projects:

- Completion of a new Performing Arts Centre (Drama and Music Departments and a theatre)
- Expansion of the Wellness Centre to include Wellbeing, Inclusion and Enrichment Departments
- An innovative fives courts project, in conjunction with the Rugby Fives Association
- Significant redesign and refurbishment of the Sport and Fitness Centre
- Review of the Jubilee Grounds and any development opportunities available

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

Development Planning

The Foundation has an embedded and effective development plan cycle that fuels the work at all levels of the organisation. The annual College Development Plan stems from ongoing and specific periods of self-evaluation and reflection and is fundamental in underpinning the focus of all elements of the College's educational development. A distributed approach is taken to the creation of the key priorities in any one year, with pupils, staff, parents and governors feeding into the plan. All development plan priorities within any one year are intrinsically linked to the fulfilment of our aims and values, which in turn drive the impact on pupil personal and academic achievement. The College Development Plan is ratified annually by the Governing Body.

PREVIOUS DEVELOPMENT PLAN, 2018-2021 OBJECTIVES

Governors are delighted that excellent progress has been made in all areas of the previous Development Plan, as listed below, which is evidenced in the Achievements and Performance section of this report.

Our Pupils

- To have maintained high levels of pupil achievement through ambitious and forward-thinking teaching and academic leadership.
- To have maintained rapid rates of pupil progression through an ambitious culture of learning that is increasingly realising high levels of pupil attainment.
- To deliver an ambitious and forward-thinking co-curriculum which ensures engagement for all.
- To deliver an ambitious and forward-thinking examined and additional curriculum that best prepares our pupils for the future.
- To provide an ambitious and forward-thinking approach to assessment and the monitoring of pupil progress that engenders pupil agency in their own progression.
- To embed consistency in our approach to monitoring, communicating and responding to individual pupil safeguarding, wellbeing and learning needs.
- To improve the mechanisms by which we communicate with, listen to and respond to pupils.

Our Staff

- To develop an ambitious and forward-thinking approach to staff professional development.
- To have an ambitious and forward-thinking approach to staff well-being.
- To ensure that safeguarding is embedded at the forefront of everyone's thinking.

Our Environment

- To have an ambitious and forward-thinking approach to our delivery of information technology.
- To have developed safe and inspirational learning and working environments for our whole community.
- To have an ambitious and forward-thinking approach to sustainability across the community.

Our Partners

- To have developed an ambitious and forward-thinking approach to our community relationships and the mutual benefit that stems from them.
- To have an ambitious and forward-thinking programme of charitable giving and charitable partnerships.
- To have an ambitious and forward-thinking approach to parent communication.
- To be receiving tangible benefits from international engagements.

Our Business and Charity

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

- To have developed excellence in administrative and technical support.
- To have developed excellence in financial and business management.
- To be ambitious and forward thinking in our approach to generating income through effective marketing, development and fundraising.

Measurable Outcomes

The Foundation aims for quantifiable performance within Key Performance Indicators (KPIs):

- Recruitment of Pupils
- Retention of Pupils
- Results of Pupils

These KPIs are monitored regularly by the FET and Governing Body. The success of these has been captured and reported on throughout this report.

ACHIEVEMENTS AND PERFORMANCE

PRINCIPLE ACTIVITIES DURING THE YEAR

During the year the Foundation has provided the following number of pupils an education, in Catford SE6:

	2020/21	2019/20
Junior School	328	302
Senior School	650	636
Total	978	938

Examination Results

GCSE:

- 75% (2020: 61%) of grades awarded were an A* or A (9, 8 or 7)
- 90% (2020: 82%) of grades were A* to B (9, 8, 7 or 6)

A Level

- 80% (2020: 57%) of grades awarded were A*-A
- 99% (2020: 87%) of grades awarded were A* to B
- 100% of pupils passed at A* to E grades (2020: 100%)

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

University Acceptance

Summary of Higher Education Outcomes

	2021	2020	2019
Number who applied for University or HE	55	58	48
Number accepted by 1st choice	51 (92%)	51 (88%)	36 (75%)
Oxbridge	0 of 0	2 of 2	3 of 3
Medicine	2 of 2	1 of 1	0 of 1

Popular Higher Education Courses

Course	Number of Students	Number of First Choice Offers	Number of Russell Group Offers
Engineering	6	6	6
Economics	6	6	5
Psychology	5	3	2
Business	3	3	1
Criminology	3	3	3

Co-curricular Activities

The Forder Programme is the name given to the College's ambitious co-curricular programme.

In the Senior School, the Programme offers more than 200 activities across the course of any one week, representing a significant diversity of interests. The quality of art, drama, music, sport, Combined Cadet Force (CCF), Duke of Edinburgh Award Scheme and community service, as our core co-curricular areas, is deemed excellent by ISI and pupil participation is exceptionally high. The Programme is constantly evolving to represent the flavour and interests of the current students and staff and ranges from Tri Club to Amnesty, CCF to Warhammer and Music and Drama to Film Club.

In the Junior School, a similar breadth of choices is on offer, from Rugby Munchkins in Pre-Prep to British Sign Language, coding and drones and robots in the Prep.

PUBLIC BENEFIT

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences, which help our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy, together with our involvement in the community, contributes to a widening of access to the education we offer and the facilities we enjoy.

The College is part of a wider community, and it strives to ensure that we are fully integrated with it. A significant and growing community service programme, a range of educational benefits offered to local children and state schools, a community Summer Festival and regular review of how our facilities are best deployed for community use, out of term time, are all important features of College identity. The College continues to be a partner school of the London Academy of Excellence in Tottenham, where the Headmaster serves as a governor and where the Charity has committed resource in 2020 – 2021 to support this school community.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

In 2021 St Dunstan's College was delighted to partner with Lewisham Council and Westside Young Leaders Academy together establishing the Lewisham Young Leaders Academy (LYLA) which offers additional support to young people across Lewisham through transformative teaching in life skills, including leadership, teamwork, presentation skills and CV building. The Academy has been established in response and evidence showing disparities in attainment and outcomes for black caribbean and dual heritage (black caribbean/ white) children and young people, not just in Lewisham, but throughout London and the UK. Approximately 100 young people have enrolled for the scheme and meet on Saturday mornings at the College.

The success of our other community programmes is explained in the review of activities and achievements section of this report

Bursary and Scholarship Awards

The Foundation awarded scholarships, bursaries and prizes to pupils to the value of £1,802k (2020: £1,717k). Of these £22k (2020: £25k) were made from restricted funds.

Bursaries for Senior School Pupils

This year the value of means tested bursaries, that were accepted, totalled £820k (2020: £695k) and represented 6.5% (2020: 6.6%) of our gross senior school fees. Bursaries provided assistance to 57 (2020: 59) of our pupils, of which 17 (2020: 14) pupils benefitted from a full remission of fees.

Scholarships for Senior School Pupils

In addition, the College awarded scholarships to 223 senior school pupils (2020: 212), based on their educational merit and potential. Of this number, 25 (2020: 25) also qualified for means-tested bursary support and are included in the figures relating to bursary awards. The value of scholarships to those in receipt solely of an academic award amounted to £831k (2020: £742k) or 7.4% (2020: 7.0%) of gross senior school fees.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

Means-tested bursaries and scholarships are not available to pupils in the Junior School.

Bursary Policy

The governors view our bursary awards as important in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to families who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means, we take a number of factors into consideration including family income, investments and savings and family circumstances. However, the Foundation does not have a large endowment and in funding our awards we have to be mindful that we must ensure a 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 bursary awards range from 5% to 100% remission of fees. Further details of our bursary policy and how to apply are available on our website.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of all awards are also set out in note 2 to the financial statements.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

Scholarship Policy

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees of either 10% or 25%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. Further details of our scholarship policy are available on our website.

Partnerships, Community Projects and Access

In addition to the above bursaries and scholarships, the Foundation has also supported the following community activities:

College Facilities

- Over a number of years, the Foundation has sought to widen access to its facilities, often at fee rates well below commercial levels. This year's activities were impacted by COVID-19. However, the grounds and sports facilities are let as much as possible at weekends and in holiday periods to local users who wish to run various events and sporting activities. During the summer, where possible, classroom facilities are let to various language schools, which provide a programme of English tuition, combined with cultural and sporting activities, to students from all over the world.
- College facilities are routinely offered for free to our local state schools including, for example, use of our Great Hall for Christmas concerts, our Jubilee Grounds for sports days and sporting festivals, and our swimming pool to offer swimming lessons to those who would not otherwise be able to access them.
- Our facilities are also used to support local events and despite COVID-19 challenges the Jubilee Ground team continued to support events such as a community antiques fair.

School Partnerships

- A partnership with the London Academy of Excellence in Tottenham began in 2016. The Headmaster serves on the Governing Body, and as part of that partnership the College has had various exchanges with students. The Foundation also made a direct financial contribution to the work of that school in 2020/21.
- There is a strong link between the College's CCF and local state schools. Students from the community have formed part of our Contingent and their teachers help serve and work with our staff in running the cadet activities, to the mutual benefit of both sets of students.
- We have continued to develop our partnerships with local state schools, where we actively consider any possible bursary and scholarship candidates for access to the College, but also look at other ways in which we might be able to support them. Our careers events have been opened to students from these schools and masterclasses provided in particular subject areas.

The Arts, Sport, Community and our Environment

The Arts

We were delighted to be able to host the St Dunstan's Festival again this year which, in light of recent global challenges, had a theme of 'celebrating our courageous community'. This unique event included a range of activities such as musical theatre productions, educational workshops, a clean-up Catford campaign, fancy dress hockey, powerful duologues, big band concerts and a jazz soiree, debating competitions, black British figures in history presentation, design competitions, dance workshops, sports matches, open air cinema, public speaking lessons and thought-provoking performances in aid of Refuge (for women and children against domestic violence).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

Sports

- Although impacted by COVID-19, over 245 hours of football hire was made available to the public on our synthetic sports pitches during the year ended 31 July 2021. Free pitches were offered to Lewisham's district football and Lewisham's London Youth Games football squads to train on. Five hours a week of free pitch hire was also offered to Catford and Lewisham police units for training and fitness. Dalmain FC provided free community football summer sessions at the Jubilee Ground to local girls aged 7-12.
- St Dunstan's Jubilee Ground continued to be Tottenham Hotspur FC's only football centre in South London offering holiday development programmes with premier league standard coaching to local children.
- Over 10,000 swimming lessons were delivered to local children through St Dunstan's Swim School. The pool acted as a registered training centre for the Institute of Qualified Lifeguards and also as a training venue for Orpington O Jays Swimming Club and Nekton Sub Aqua Club (Lewisham's only sub aqua club).
- St Dunstan's continued in its annual support for the MCC Community Cricket Hub offering local children 13 weeks of free cricket coaching and pathways. The Jubilee Ground is also home to Catford Cyphers Cricket Club and Beckenham Cricket Club.
- In hockey, 35 hours weekly hire was made available to local community clubs and Jubilee Ground is home to London Academicals Hockey Club.
- Beacons Netball Club train at the Jubilee Ground.

Community Service

- At St Dunstan's College, we encourage students of all age groups to take an interest in their local community and to take up the opportunities available to get involved. Although impacted by COVID-19, students still took part in a litter pick up as part of the St Dunstan's Festival and Senior School students supported the Junior School with events and class activities.

Charity

- In the academic year 2020/21 we supported a wide range of charities with special events raising nearly £10k supporting the work of local, national and international charities, including Save the Children, Comic Relief, Rhabdomyosarcoma Research and Street Trees for Living.

Community support through the COVID-19 pandemic

- A dedicated Support Hub on our website has featured the latest NHS and PHE guidance, mental health advice and daily tips for lockdown suggested by teachers and pupils
- The College has made regular food donations to local foodbanks and soup kitchens
- The Friends of St Dunstan's hosted a virtual quiz raising £2.7k for the foodbanks in Lewisham.
- The College marked the National Day of Reflection in March 2021 with a virtual service.

Sustainability

The College has made good progress this year with the targets set out in the Environmental Policy. Pupils, parents, staff and external experts collaborate as part of a Sustainability Committee, sharing ideas and gathering feedback from the whole College community. Achievements include:

- A number of additional wild areas, new wildflower beds, planting more trees and over 1,000 bulbs around the College.
- Increase in vegan/vegetarian meals.
- Single use plastic free environment in the Refectory.
- Participation in Earth Hour.
- Improved secure cycle storage to support car free days and encourage cycling to school.
- Air quality award for the Junior School.
- Further development and use of the woodland classroom, educating young people in the importance of biodiversity and the natural world around us.
- Senior School and Junior School ecology ponds.
- Environmentally friendly construction methods and contractors used.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

REVIEW OF FINANCIAL ACTIVITIES AND RESULTS FOR THE YEAR

These financial statements cover the year ended 31 July 2021. The Group's funds have increased during the year by £3,426k (2020: decrease of £1,655k).

The Group has achieved a strong operational performance in 2020/21 achieving an operating surplus of £1,861k (2020: £902k) prior to investment gains. The College's fees receivable, including grants from the Foundation, for the year amounted to £14,964k (2020: £13,473k), representing a 11% increase over the previous twelve months. The value of investments increased during the year by £1,204k mainly due to revaluation and additions of £681k (2020: decrease of £1,124k reflecting market volatility associated with COVID-19). The value of the interest rate swap entered into in December 2020 but has increased in value by £807k since 31 July 2020.

College Hire Limited achieved a loss of £18k (2020: £37k loss). In December 2019 HMRC determined that College Hire Limited was not an 'eligible body' for an exemption under VAT Act 1994. The Directors of College Hire Limited, following expert advice, disagree with HMRC's conclusion and the potential liability arising from HMRC's conclusion, estimated at £338k, has therefore not been recognised as a liability in these accounts (see note 26).

Note 17 to the accounts sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Group's obligations on a fund-by-fund basis.

The Foundation's tangible assets are all held for use in the College. In the present property market the governors do not consider that their estimate of the value is materially different from that shown in the accounts. Investments are held to create income and capital growth pending utilisation on the objects of appeals, bequests or donations or to match liabilities as appropriate. These are valued at cost or appropriate valuation (see note 11).

GOING CONCERN

At the time of signing these financial statements the Coronavirus disease (COVID-19) continues to be a pandemic. As discussed in more detail in the going concern accounting policy on page 27, the governors have a reasonable expectation that the Group remains a going concern for the following key reasons:

- Demand for places at the College continues to increase. In November 2019 the College successfully completed a full ISI education inspection resulting in 'excellent' judgements in all areas as well as a successful compliance inspection. In October 2020 St Dunstan's College was named Independent Coeducational School of the Year at the Independent School Awards 2020. The College has made significant investment in its facilities, including the building of a new Junior School, STEM and Sixth Form block, new classrooms for music, including recital and practice rooms, and a new drama studio. The change in local demographics and demand for the St Dunstan's product, combined with significantly improved facilities and high-quality academic outcomes provides a sound basis for the future success of the Group.
- Performance of detailed financial modelling looking forward at least 12 months demonstrating that the Foundation has sufficient cash and is able to meet the financial covenants within its loan facility. Scenario analysis performed demonstrates that there are sufficient funds available in the event of a falling pupil roll. The Foundation monitors its pupil roll closely.
- Both the UK Government and the Group's bankers have indicated their support for businesses impacted by COVID-19.

The governors are unaware of any other factors which would impact on the Group being treated as a going concern.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

INVESTMENT PERFORMANCE

Governors are pleased with investment income, which is better than forecast. The market value of the investments increased by £750k since 31 July 2020 recovering from the market volatility associated with the COVID-19 pandemic. Governors are reviewing the investment strategy to ensure that this meets the needs of the Foundation going forward. The overarching investment objective is to maximise investment income while at least maintaining the value of the funds in real terms. An income target is set and reviewed annually.

During the year an investment income return of 4.1% (2020: 4.3%) was achieved on invested funds which are managed by UBS Wealth Management. It is anticipated that the rate of investment income return in 2021/22 will be around 3.0%.

There was a 14.6% increase (2020: 21.7% decrease) in the FTSE 100 index over the year. In 2020/21 the Foundation's investments increased in value by 15.3% (2020: 12.1% decrease).

INVESTMENT POLICY

The overall investment policy of the governors is to maintain a well-balanced portfolio of investments covering a spread of equities, gilts and properties to meet the needs of the Foundation in terms of both capital growth and income. This policy is not restricted by ethical or other considerations, however, this is currently under review.

FUNDRAISING PRACTICE

During the year, the Foundation has sought to raise funds from the public. The Development Office and Headmaster have approached parents, alumni and other individuals connected to the Foundation to seek donations towards the Foundation's development plans. Since January 2020 the Foundation has engaged the services of a self-employed consultant to advise on its fundraising strategy. Aside from this, the Foundation has not employed the assistance of any professional fundraisers or had fundraising carried out on its behalf.

The Foundation always aims to follow best practice in fundraising, and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charity Commission (CC), The Fundraising Regulator, The Institute of Fundraising (IoF) and The Information Commissioner's office. The Foundation is registered with the Fundraising Regulator and adheres voluntarily to the Regulator's Code of Fundraising Practice.

There have been no complaints with regards to fundraising in the year (2020: none).

RESERVES POLICY

The Group's Reserves Policy is to maintain sufficient unrestricted reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, and to rely on the readily realisable investments of the Foundation's unrestricted reserves for that purpose. The Foundation will apply from time to time to the Charity Commission in England and Wales to liquidate restricted or endowed reserves as adequate cover for the Foundation's longer-term capital expenditure commitments and any longer-term financial obligations.

At 31st July 2021, the Group had total reserves of £24,686k (2020: £21,260k).

Of these reserves £894k (2020: £1,074k) are "Restricted" and they can only be utilised in accordance with the wishes of the original donor. The majority of these funds provide income for bursaries, scholarships, prizes and other specific purposes outlined by the donor in a specific deed or their will.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2021

In addition, the Charity had Permanently Endowed Funds of £12,298k (2020: £10,796k) at 31st July 2021. £8,143k of these Endowed Funds can only be realised by disposing of fixed assets. Endowment Funds originate from a Scheme made by the Charity Commission in 1869 under the Endowed Schools Act 1869. These "Endowed" funds again provide income for scholarships and bursaries and other charitable activities but if the Charity wishes to expend capital contained in these funds the trustees may need to seek Charity Commission approval depending on the nature of the proposed expenditure.

The balance of reserves is "Unrestricted". The Group had not designated any of these unrestricted reserves for a particular purpose at 31st July 2021. At 31 July 2021, the Group had unrestricted funds of £11,494k (2020: £9,390k).

In November 2019 the trustees of St Dunstan's Educational Foundation signed a construction agreement with Willmott Dixon Ltd to build a new Junior School, STEM and Sixth Form building. The value of this construction agreement is £21.5m with the total cost of the development (including professional fees, furniture and fittings and the creation of new multiple use games areas for netball) being £24.5m. As at 31st July 2021 the development is complete at a cost of £24.6m. The cost was met by the use of the Foundation's unrestricted reserves, the sale of some endowed investments, see below, and a £20m bank loan facility from HSBC UK Bank plc.

The Charity Commission granted permission for the Foundation to utilise £3m of the Endowed Funds to fund the pre-construction phase of the new Junior School, STEM and Sixth Form block. As at 31 July 2021 £1,846k of Endowed investments have been transferred to the Unrestricted Fund and utilised to fund this work.

The Charity Commission authorised the trustees to spend the sum of not more than £23.6m from the Charity's permanent endowment for the purpose of constructing the new Junior School, STEM and Sixth Form building. At 31 July 2021 the value of this Recoupment Order is £22,941k (2020: £10,540k) (note 27).

The trustees consider that the Group holds a sufficient level of unrestricted reserves to meet the Group's short-term financial obligations. At 31 July 2021 unrestricted listed investments were £4,125k (2020: £3,688k) and unrestricted net current liabilities were £1,116k (2020: net current assets of £91k). The trustees consider this is sufficient to enable all aspects of the Group's work to be conducted in an orderly and efficient manner and to provide cover for unexpected but unavoidable items of expenditure which cannot be funded from current income.

The Group has an agreed business plan and model which demonstrates how it is anticipated that the new building and other property development will increase student numbers. The forecast surpluses from this increase in student numbers will be utilised to re-build reserves.



Mr Paul Durgan

On behalf of the trustees

Date: 28 January 2022

ST DUNSTAN'S EDUCATIONAL FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The governors are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

AUDITOR'S OPINION

We have audited the financial statements of St Dunstan's Educational Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 July 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated and Foundation Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 July 2021 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 19, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operate in and how the group and parent charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with tax authorities and evaluating advice received from external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://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 charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
BUCKINGHAMSHIRE
MK9 1BP

Date: 28 January 2022

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2021	Total 2020
		£k	£k	£k	£k	£k
INCOME from						
Donations and Legacies	5	68	85	-	153	76
<i>Charitable activities</i>						
School fees receivable	2	14,836	(22)	-	14,814	13,323
Other educational income	3	611	-	-	611	781
Other ancillary income	3	99	-	-	99	85
<i>Other trading activities</i>						
Leisure club		148	-	-	148	172
School facility lettings		310	-	-	310	361
Investments	4	381	11	-	392	405
TOTAL INCOME		<u>16,453</u>	<u>74</u>	<u>-</u>	<u>16,527</u>	<u>15,203</u>
EXPENDITURE on						
<i>Cost of raising funds</i>	7	901	-	-	901	887
<i>Charitable activities</i>						
School operating costs	7	<u>13,765</u>	-	-	<u>13,765</u>	<u>13,414</u>
TOTAL EXPENDITURE		<u>14,666</u>	<u>-</u>	<u>-</u>	<u>14,666</u>	<u>14,301</u>
NET INCOME BEFORE INVESTMENT GAINS/ (LOSSES)	8	1,787	74	-	1,861	902
Gains/ (losses) on investment assets						
Realised		1	-	-	1	-
Unrealised		446	46	258	750	(1,124)
Gains/ (losses) on hedging instrument for loan		<u>807</u>	-	-	<u>807</u>	<u>(1,416)</u>
NET INCOME/ (EXPENDITURE)		3,041	120	258	3,419	(1,638)
Transfers between funds	18b	(944)	(300)	1,244	-	-
Actuarial gain/ (loss) on defined benefit pension scheme	23	<u>7</u>	-	-	7	(17)
NET MOVEMENT IN FUNDS		2,104	(180)	1,502	3,426	(1,655)
RECONCILIATION OF FUNDS						
Total funds brought forward at 1st August 2020		<u>9,390</u>	<u>1,074</u>	<u>10,796</u>	<u>21,260</u>	<u>22,915</u>
Total funds carried forward at 31st July 2021		<u>11,494</u>	<u>894</u>	<u>12,298</u>	<u>24,686</u>	<u>21,260</u>

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

BALANCE SHEETS

	Notes	Consolidated 2021 £k	2020 £k	Foundation 2021 £k	2020 £k
FIXED ASSETS					
Tangible fixed assets	10	37,434	23,506	37,434	23,506
Investments	11,12	9,613	8,409	9,613	8,409
		<u>47,047</u>	<u>31,915</u>	<u>47,047</u>	<u>31,915</u>
CURRENT ASSETS					
Stock		8	8	4	4
Debtors	14	717	979	795	1,012
Cash at bank and in hand	13	<u>4,531</u>	<u>3,550</u>	<u>4,453</u>	<u>3,514</u>
		5,256	4,537	5,252	4,530
CREDITORS:					
Amounts falling due within one year	15a	<u>(5,890)</u>	<u>(3,658)</u>	<u>(5,831)</u>	<u>(3,614)</u>
NET CURRENT (LIABILITIES) /ASSETS		<u>(634)</u>	<u>879</u>	<u>(579)</u>	<u>916</u>
TOTAL ASSETS LESS CURRENT LIABILITIES/ ASSETS		46,413	32,794	46,468	32,831
CREDITORS:					
Amounts falling due after one year	15b	<u>(20,923)</u>	<u>(10,646)</u>	<u>(20,923)</u>	<u>(10,646)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		25,490	22,148	25,545	22,185
Defined benefit pension scheme liability	23	<u>(804)</u>	<u>(888)</u>	<u>(804)</u>	<u>(888)</u>
TOTAL NET ASSETS		<u>24,686</u>	<u>21,260</u>	<u>24,741</u>	<u>21,297</u>
FUNDS					
Unrestricted		11,494	9,390	11,549	9,427
Restricted		894	1,074	894	1,074
Endowment		<u>12,298</u>	<u>10,796</u>	<u>12,298</u>	<u>10,796</u>
TOTAL FUNDS	17, 18a	<u>24,686</u>	<u>21,260</u>	<u>24,741</u>	<u>21,297</u>

Approved by the trustees on 28 January 2022 and signed on their behalf by:



Mr Paul Durgan
Chair of Trustees

Notes on pages 27 to 55 form part of these accounts.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS - CONSOLIDATED

	Note	2021 £k	2020 £k
Cashflows from operating activities:			
<i>Net cash provided by operating activities</i>	a	2,905	2,426
Cashflows from investing activities:			
Dividends, interest and rents from investments		392	405
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(15,288)	(9,478)
Proceeds from sale of investments		227	29
Purchase of investments		(681)	(104)
<i>Net cash used in investing activities</i>		(15,350)	(9,148)
Cashflows from financing activities:			
Increase in borrowing		13,426	6,209
<i>Net cash provided by financing activities</i>		13,426	6,209
Change in cash and cash equivalents in the reporting period		981	(513)
Cash and cash equivalents at the beginning of the reporting period		3,550	4,063
Cash and cash equivalents at the end of the reporting period	b	4,531	3,550

a Reconciliation of net income / expenditure to net cashflow from operating activities

<i>Net income for the reporting period (as per the statement of financial activities)</i>	3,426	(1,655)
Adjustments for:		
Depreciation charges	1,253	1,201
(Gains)/losses on investments - unrealised	(750)	1,124
(Gains)/losses on investments - realised	(1)	-
Dividends, interest and rents from investments	(392)	(405)
Loss on the sale of fixed assets	107	19
Decrease in stocks	-	2
Decrease/ (increase) in debtors	262	(128)
(Decrease)/increase in creditors	(109)	903
Decrease/ (increase) in Loan Hedging Instrument liability	(807)	1,416
(Decrease) in Defined Benefit Scheme liability	(84)	(51)
<i>Net cash provided by (used in) operating activities</i>	2,905	2,426

b Analysis of cash and cash equivalents

Cash in hand	4,531	3,550
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ST DUNSTAN'S EDUCATIONAL FOUNDATION

FINANCIAL STATEMENTS

Total cash and cash equivalents		4,531	3,550
STATEMENT OF CASH FLOWS – FOUNDATION ONLY			
	Note	2021 £k	2020 £k
Cashflows from operating activities:			
Net cash provided by operating activities	a	2,863	2,638
Cashflows from investing activities:			
Dividends, interest and rents from investments		392	405
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(15,288)	(9,478)
Proceeds from sale of investments		227	29
Purchase of investments		(681)	(104)
Net cash used in investing activities		(15,350)	(9,148)
Cashflows from financing activities:			
Increase in borrowing		13,426	6,209
Net cash provided by financing activities		13,426	6,209
Change in cash and cash equivalents in the reporting period		939	(301)
Change in cash and cash equivalents at the beginning of the reporting period		3,514	3,815
Change in cash and cash equivalents at the end of the reporting period	b	4,453	3,514
a Reconciliation of net income / expenditure to net cashflow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		3,444	(1,618)
Adjustments for:			
Depreciation charges		1,253	1,201
(Gains)/losses on investments - unrealised		(750)	1,124
(Gains)/losses on investments - realised		(1)	-
Dividends, interest and rents from investments		(392)	(405)
Loss on the sale of fixed assets		107	19
Decrease in stocks		-	1
Decrease/(increase) in debtors		217	(83)
(Decrease)/increase in creditors		(124)	1,034
(Decrease)/increase in Loan Hedging Instrument liability		(807)	1,416
(Decrease) in Defined Benefit Scheme liability		(84)	(51)
Net cash provided by (used in) operating activities		2,863	2,638
b Analysis of cash and cash equivalents			
Cash in hand		4,453	3,514
Total cash and cash equivalents		4,453	3,514

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

ACCOUNTING POLICIES

BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £k.

The financial statements have been prepared on the historical cost convention modified to include certain financial instruments at their fair value as explained in the relevant accounting policy. The principal accounting policies adopted are set out below.

GOING CONCERN

At the time of signing these financial statements the COVID-19 pandemic is still evolving and is unprecedented and therefore brings challenges and uncertainties, which the trustees have considered in the 'Principal Risks and Uncertainties' section of their Report (see page 7).

Detailed financial modelling and scenario analysis has been performed demonstrating that the Group has sufficient cash and is able to meet the financial covenants within the Foundation's loan facility for at least 12 months following the signing of these financial statements. Scenarios considered included the loss of pupil numbers and reduction in the recoverability of fees. Key assumptions made in this scenario analysis included the ability to generate cash through the sale of the Foundation's unrestricted investments. Longer term projections are that going forward the Foundation expects to achieve greater surpluses which will be reinvested in improving facilities in the medium and long term. Demand for places at the College is currently strong, although there is risk that the take up may be lower than forecast depending on the impact that the pandemic may have on parents' ability to continue funding schooling.

Both the UK Government and the Group's bankers have indicated their support for businesses impacted by COVID-19. The trustees are not currently forecasting the need to further access such support, other than the furloughing of some staff that ended in April 2021, but note its availability should the need arise.

Having considered the uncertainties posed by the pandemic the trustees consider for the above reasons that there are no material uncertainties about the Group's ability to continue as a going concern and have accordingly continued to prepare the financial statements on a going concern.

GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, College Hire Limited, on a line-by-line basis. The charity has taken advantage of the concession offered not to present a separate Statement of Financial Activities for the Charity as a standalone entity.

INCOME RECOGNITION

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other remissions allowed by the College, but include contributions received from the Foundation and other sources.

Grants receivable for specific purposes are accounted for as restricted funds. Transfers are made from those funds to offset depreciation.

Grants related to the Coronavirus Job Retention Scheme are treated as income in the period to which each grant claim relates and is treated as other educational income in the Statement of Financial Activities.

INTEREST RECEIVABLE

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

DONATIONS

Donations received for the general purposes of the Foundation are credited to unrestricted funds. Donations subject to specific wishes of the donors are carried to relevant restricted funds, or to endowed funds where the amount is required to be held as permanent capital.

The accounts of the Charity include the funds which are under the direct control of the governors.

EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenditure of the wholly owned trading subsidiary, College Hire Limited in running a leisure club, a commercial nursery and a lettings business as well as the Foundation's fundraising costs.
- Expenditure on charitable activities includes all expenditure in running a school and in particular teaching, premises and welfare costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Scholarships and bursaries are charged to expenditure in the period to which they relate.

ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly deliver charitable activities. Support costs include all administrative and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

OPERATING LEASES

Rentals payable are charged on a straight line basis over the lease term.

TANGIBLE FIXED ASSETS

College buildings and equipment

Capitalisation and replacement

The original College land and buildings are carried at the amount of the value of property in June 1994 as valued by a professional adviser. In accordance with the transitional provisions of FRS102, this valuation has not been updated. Additions and improvements to the property since 1994 representing enhancements in value are stated at cost. The College is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

Items costing less than £5,000 are written off as an expense as acquired. The capitalisation threshold within College Hire Limited is £500.

Where additions and improvements are under construction on permanently endowed land these are included within endowed funds.

Interest costs directly attributable to the financing of tangible fixed assets are capitalised at the cost of the related borrowings.

Depreciation

Depreciation of other assets is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

	Years
Buildings	50
Improvements and extensions	10-50
Furniture and equipment	3-25
Motor vehicles	5

No depreciation is provided on freehold land.

Leasehold property is written off over the remaining period of the lease.

STOCK

Stock is included at the lower of cost or net realisable value.

DEBTORS

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

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the Group 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 trade discounts due.

BORROWINGS

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

DERIVATIVES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statement of Financial Activities.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Recognition and measurement of financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities or assets according to the substance of the contractual arrangements entered into.

Fixed asset investments

Fixed asset investments are initially measured at transaction price. Transaction price includes transaction costs, except where investments are measured at fair value through the Statement of Financial Activities when transaction costs are expensed to the Statement of Financial Activities as incurred.

The fair value of investments quoted on a recognised stock exchange are measured at market value through the Statement of Financial Activities.

Investment properties are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in the Statement of Financial Activities.

Fee, trade and other debtors

Fee, trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment for trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the Statement of Financial Activities.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised costs, being transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Advance fee scheme

Advance fee discounts are charged to finance costs as required by FRS 102 and included within the gross fees reflected in the financial statements.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified when the obligation specified in the contract is discharged cancelled or expires.

PENSION CONTRIBUTIONS

Retirement benefits to eligible employees of the Foundation are provided by The Teachers' Pension Scheme (TPS). This is a defined benefit scheme, which is externally funded. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method.

Group personal pension scheme

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the Scheme.

Independent Schools Pension Scheme

This is a defined benefit scheme managed by TPT Retirement Solutions (formerly the Pensions Trust). Employer contributions are charged to the Statement of Financial Activities as they become payable. The contributions are determined by qualified actuaries on the basis of triennial valuations.

Independent Schools Pension Scheme - Auto-Enrolment

From 1 April 2014 the Foundation opened a fourth pension scheme for all employees who were not entitled to or who had not opted to join one of the three existing schemes. Contributions are charged to the Statement of Financial Activities as they become payable.

FIXED ASSET INVESTMENTS

Investments have been stated at their fair value at the beginning and end of the financial year. Realised and unrealised gains and losses are calculated by reference to the market valuation of the relevant investments at the start of the financial year.

RESERVES

The Charity has permanently endowed funds, restricted funds and unrestricted funds. Restricted funds are separately accounted for in accordance with the terms of the originating deeds and documentation. In March 2007 the trustees received confirmation from leading Counsel that all original land and buildings, given to the Foundation in 1888 and additions thereto, were permanently endowed.

TAXATION

St Dunstan's Educational Foundation is a registered charity and as such its income and gains falling within Sections 518 to 564 of the Income Taxes Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income tax and capital gains tax to the extent that they are applied to its charitable objectives.

AGENCY ARRANGEMENT

The Charity has an arrangement with the Friends of St Dunstan's College (FSDC) to make payments and receipts on its behalf. FSDC is a formally constituted grouping of parents who arrange social and charitable

ST DUNSTAN'S EDUCATIONAL FOUNDATION

ACCOUNTING POLICIES

events for the benefit of pupils of the College. The Charity includes funds held at the year-end within its financial statements as the sums involved are not material.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects more than one period.

There are not considered to be any significant estimates or assumptions that might materially affect the financial statements.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1 FINANCIAL PERFORMANCE OF THE CHARITY

The Consolidated Statement of Financial Activities includes the results of the Charity's wholly owned subsidiary, College Hire Limited (note 6).

The trading company gift aids any surpluses to the Foundation as shown in note 6 and the gift aid is included with the Statement of Financial Activities (SOFA) for the Charity. The standalone SOFA for the Charity has therefore not been included.

2 FEES RECEIVABLE - COLLEGE	Total 2021 £k	Total 2020 £k
Fees receivable consist of:		
Gross fees	16,616	15,040
Less: Total scholarships, bursaries and other remissions	(1,802)	(1,717)
	<u>14,814</u>	<u>13,323</u>
Add: Contributions to fees made from the Foundation	<u>150</u>	<u>150</u>
	<u>14,964</u>	<u>13,473</u>

The Charity contributed £150k (2020: £150k) internally towards scholarships and bursaries: £128k (2020: £125k) from Unrestricted funds; and £22k (2020: £25k) from Restricted Funds which is shown in brackets in the Restricted Funds column.

3 OTHER INCOME	Total 2021 £k	Total 2020 £k
<i>Other educational income</i>		
Entrance and registration fees	87	56
Examination fees	61	76
After school care	41	54
Other income from pupils	269	242
CJRS income	153	353
	<u>611</u>	<u>781</u>
<i>Other ancillary income</i>		
Tuck shop	5	19
Pupil transport to school	38	20
Rental income (tangible fixed asset)	38	39
Other ancillary income	18	7
	<u>99</u>	<u>85</u>

In 2021 and 2020 all other income is unrestricted income.

Included in other income is £153k from the Coronavirus Job Retention Scheme (CJRS) (2020: £353k). This is the only form of direct financial assistance that has been received from the UK Government (2020: £353k) and there are no unfulfilled conditions relating to this income.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

4	INVESTMENT INCOME	Total 2021 £k	Total 2020 £k
	Interest receivable	1	10
	Rental income (investment property)	45	35
	Listed investments	346	360
		<u>392</u>	<u>405</u>

The income from interest receivable totals £1k (2020: £10k) of which £1k (2020: £9k) was unrestricted and £nil (2020: £1k) was restricted.

All rental income is unrestricted in both years and arises from the Foundation's investment in the Fordmill Road Depot adjacent to the Jubilee Ground.

All income from listed investments arises from stocks acquired through a UK Stock Exchange. Income totalling £335k (2020: £347k) is unrestricted with £11k (2020: £13k) included within restricted funds.

5	VOLUNTARY INCOME	Total 2021 £k	Total 2020 £k
	Donations	90	15
	Legacies	63	61
		<u>153</u>	<u>76</u>

The income from donations and legacies was £153k (2020: £76k) of which £68k (2020: £1k) was unrestricted and £85k (2020: £75k) was restricted. Income shown as legacies derives from a trust created by a former pupil in his will. This income derives from a commercial property administered by a Board of Trustees.

6 INCOME FROM TRADING ACTIVITIES

The wholly owned trading subsidiary, College Hire Limited, is incorporated in England and Wales (company number 04396837) and distributes all of its profits to the charity under gift aid. College Hire Limited hires out facilities to the general public, charitable bodies and other hirers. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	Total 2021 £k	Total 2020 £k
Turnover	460	534
Cost of sales and administration costs	(478)	(571)
Net loss	<u>(18)</u>	<u>(37)</u>
Distribution to the charity	-	-
Retained in subsidiary	<u>(18)</u>	<u>(37)</u>

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

The assets and liabilities of the subsidiary were:

Fixed assets	-	-
Current assets	143	114
Current liabilities	(198)	(151)
Total net (liabilities)	<u>(55)</u>	<u>(37)</u>
Aggregate share capital and reserves	<u>(55)</u>	<u>(37)</u>

7 ANALYSIS OF EXPENDITURE

	Staff costs £k	Other Costs £k	Depreciation £k	Total 2021 £k	Total 2020 £k
EXPENDITURE on					
<i>Cost of raising funds</i>					
Fundraising	5	31	-	36	-
Leisure club and lettings	363	118	-	481	554
Financing costs	-	355	-	355	306
Investment management fees	<u>-</u>	<u>29</u>	<u>-</u>	<u>29</u>	<u>27</u>
	<u>368</u>	<u>533</u>	<u>-</u>	<u>901</u>	<u>887</u>
<i>Charitable activities</i>					
School operating costs					
Teaching costs	7,615	731	10	8,356	8,151
Welfare costs	-	670	21	691	661
Premises costs	519	1,097	1,222	2,838	2,714
Support costs	1,276	577	-	1,853	1,832
Donations and prizes	<u>-</u>	<u>27</u>	<u>-</u>	<u>27</u>	<u>56</u>
	<u>9,410</u>	<u>3,102</u>	<u>1,253</u>	<u>13,765</u>	<u>13,414</u>
	<u>9,778</u>	<u>3,635</u>	<u>1,253</u>	<u>14,666</u>	<u>14,301</u>

Expenditure on charitable activities was £13,765k (2020: £13,414k) of which £13,765k was unrestricted (2020: £13,381k) and £nil was restricted (2020: £33k).

Analysis of governance and support costs

Support costs have been analysed below and are included within school operating costs, as the charitable activity of the College.

Governance costs include audit fees, trustee indemnity insurance, trustee expenses, legal and professional fees for constitutional matters and meeting costs. These are apportioned between the charitable activities undertaking and the cost of raising funds through letting on the basis of 90% being allocated to charitable activities and 10% to the raising of funds through trading.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

	Support costs £k	2021 Governance costs £k	Total £k	Support costs £k	2020 Governance costs £k	Total £k
Staff and training costs	1,301	-	1,301	1,232	-	982
Marketing	131	-	131	163	-	175
Staff recruitment	49	-	49	45	-	62
Legal and professional fees	101	-	101	61	-	177
Pupil transport	68	-	68	59	-	93
Office costs	197	-	197	264	-	315
Administrative overheads	6	-	6	8	-	11
Governance						
Staff costs	-	60	60	-	55	55
Audit and other professional fees	-	48	48	-	57	57
Meeting and other governance costs	-	17	17	-	1	1
	<u>1,853</u>	<u>125</u>	<u>1,978</u>	<u>1,832</u>	<u>113</u>	<u>1,945</u>

8	NET INCOME FOR THE YEAR	2021 £k	2020 £k
	This is stated after charging:		
	Operating leases – equipment and temporary building	95	87
	Depreciation	1,253	1,201
	Governors' liability insurance	1	1
	Auditor's remuneration (including VAT)		
	- Audit fees	42	50
	- Other services – Corporate tax, VAT advisory and Teachers' Pensions	6	7
	Audit		

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

9 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £k	2020 £k
Wages and salaries	7,817	7,722
Social security costs	818	785
Other pension costs	1,143	1,157
	<u>9,778</u>	<u>9,664</u>

The average monthly head count was 237 staff (2020: 228 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2021 Number	2020 Number
Teaching	92	95
Teaching Support	45	38
Administrative Support	57	50
Lettings	14	16
	<u>208</u>	<u>199</u>

The key management personnel of the College for the financial year 2020/ 21 were the College Leadership Team (CLT). The CLT includes the Headmaster, Bursar and Clerk to the Governors, the Deputy Head Pastoral, the Deputy Head Academic and Head of the Junior School. Their total remuneration including pensions, private medical cover and employer national insurance contributions amounted to £675k in this financial year (2020: £658k).

Redundancy and termination payments of £41k were made during this financial year (2020: £74k).

Neither the governors nor persons connected with them received any remuneration or other benefits from the Foundation or any connected organisation.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

9 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)

The number of employees whose annual equivalent emoluments exceeded £60,000 during the period were:

	2021 Number	2020 Number
£60,001 to £70,000	9	7
£70,001 to £80,000	2	3
£80,001 to £90,000	-	1
£120,001 to £130,000	1	1
£160,001 to £170,000	1	1

Contributions were made to the Teachers' Pension Scheme, of £160k (2020: £151k) in respect of 9 (2020: 10) of the employees reflected above (see note 22). Three (2020: 2) higher-paid employees are members of the Independent Schools Pension Scheme- defined contribution scheme (see note 22). Contributions to this scheme during the year amounted to £23k (2020: £14k) for these other higher-paid employees. One (2020: 1) higher-paid employee is a member of the Independent Schools Pension Scheme – defined benefit scheme (see note 23). Contributions to this scheme during the year amounted to £9k (2020: £9k)

The expenses of the governors were as follows:

	2021	2020
Expenses to attend meetings (including annual conference)		
Governors – number: 6 (2020: 0)	£325	-
Catering provided at meetings	£107	£1,115

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

10 TANGIBLE FIXED ASSETS

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
CONSOLIDATED					
Cost or valuation					
1 August 2020	18,406	173	3,186	10,764	32,529
Additions	355	-	389	14,544	15,288
Disposals	(728)	(5)	(103)	-	(836)
Transfers	<u>23,439</u>	<u>-</u>	<u>720</u>	<u>(24,159)</u>	<u>-</u>
	41,472	168	4,192	1,149	46,981
31 July 2021					
Depreciation					
1 August 2020	6,588	161	2,274	-	9,023
Charge for the period	1,023	10	220	-	1,253
Released on disposal	<u>(626)</u>	<u>(5)</u>	<u>(98)</u>	<u>-</u>	<u>(729)</u>
	<u>6,985</u>	<u>166</u>	<u>2,396</u>	<u>-</u>	<u>9,547</u>
31 July 2021					
Net book values					
31 July 2021	<u>34,487</u>	<u>2</u>	<u>1,796</u>	<u>1,149</u>	<u>37,434</u>
31 July 2020	<u>11,818</u>	<u>12</u>	<u>912</u>	<u>10,764</u>	<u>23,506</u>

Freehold land and buildings at valuation (£k)

Main College building	1,700
(Valued by Savills, Chartered Surveyors 27 April 1994)	
Groundsman's House	<u>80</u>
(Valued by Peter Leigh, Chartered Surveyors 16 December 1996)	
	<u>1,780</u>

The freehold land and buildings were valued at open market value on an existing use basis. The historical cost information in relation to these buildings is not available. The trustees have considered the holding value of the fixed assets stated above on implementing FRS 102 and consider the values stated above remain appropriate taking in to account the educational activities of the Charity.

Included in Land and Buildings is freehold land valued at £1,502k (2020: £1,502k) which is not depreciated.

St Dunstan's Educational Foundation has pledged land and buildings, which had a net book value of £33,405k at 31st July 2021, to secure a bank loan with HSBC by way of a fixed charge (note 15b)

Included in Land and Buildings is £373k capitalised interest on the bank loan and the hedging instrument. Of this balance £322k was capitalised during the year (2020 £51k)

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

10 TANGIBLE FIXED ASSETS (CONTINUED)

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
FOUNDATION					
Cost or valuation					
1 August 2020	18,406	173	3,162	10,764	32,505
Additions	355	-	389	14,544	15,288
Disposals	(728)	(5)	(103)	-	(836)
Transfers	<u>23,439</u>	<u>-</u>	<u>720</u>	<u>(24,159)</u>	<u>-</u>
	41,472	168	4,168	1,149	46,957
31 July 2021					
Depreciation					
1 August 2020	6,588	161	2,250	-	8,999
Charge for the period	1,023	10	220	-	1,253
Released on disposal	<u>(626)</u>	<u>(5)</u>	<u>(98)</u>	<u>-</u>	<u>(729)</u>
	<u>6,985</u>	<u>166</u>	<u>2,372</u>	<u>-</u>	<u>9,523</u>
31 July 2021					
Net book values					
31 July 2021	<u>34,487</u>	<u>2</u>	<u>1,797</u>	<u>1,149</u>	<u>37,434</u>
31 July 2020	<u>11,818</u>	<u>12</u>	<u>912</u>	<u>10,764</u>	<u>23,506</u>
Cost or valuation					
Cost	39,692	168	4,168	1,149	45,177
Valuation	<u>1,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,780</u>
	41,472	168	4,168	1,149	46,957
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

11 INVESTMENTS

	Consolidated and Foundation			
	Unrestricted	Restricted	Endowment	Total
	£k	£k	£k	£k
Balance at 1 August 2020	4,351	280	3,778	8,409
Additions	2	575	104	681
Disposals at opening market value	(14)	(197)	(16)	(227)
Revaluations	<u>446</u>	<u>46</u>	<u>258</u>	<u>750</u>
Balance at 31 July 2021	<u>4,785</u>	<u>704</u>	<u>4,124</u>	<u>9,613</u>
Listed on the Stock Exchange	4,125	701	4,099	8,925
Property (see note 12)	660	-	-	660
Funds held by Brokers for investment	-	<u>3</u>	<u>25</u>	<u>28</u>
	<u>4,785</u>	<u>704</u>	<u>4,124</u>	<u>9,613</u>

The investments are registered in the name of UBS AG and managed by UBS Wealth Management on behalf of the Charity.

Historical cost of investments listed on the stock exchange is £8,466k (2020: £8,053k). The historical cost of the property is not readily available.

There were no investments representing over five percent of the portfolio value.

Within the Foundation accounts is an investment of £1 in a subsidiary, College Hire Ltd. During the year this company ran the Leisure Club, and hired out other facilities to the general public, charitable bodies, the London Borough of Lewisham and other hirers. The Foundation owns 100% of the issued share capital of this company which is incorporated in the United Kingdom.

12 INVESTMENT PROPERTY

At 31st July 2021 the Foundation had one investment property known as Fordmill Road Depot which was uplifted in value from the purchase price of £503,969 to £660,000 in December 2015. The valuation of this industrial property was undertaken by Lambert Smith Hampton RICS Registered Valuers in October 2016. The valuation was carried out by considering the capitalisation of the rental values and having regard to the residual values.

13 CASH AT BANK AND IN HAND

As at 31 July 2021 £1m (2020: £1m) of the Foundation's cash balances are held as collateral to secure a bank loan with HSBC (note 15b). This amount is held in an interest-bearing account with the interest being in favour of the Foundation.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

14 DEBTORS	Consolidated		Foundation	
	2021 £k	2020 £k	2021 £k	2020 £k
Fee debtors	307	448	307	448
Trade debtors	110	81	94	61
Prepayments and accrued income	300	450	255	397
Amounts owed by group undertakings	-	-	139	106
	<u>717</u>	<u>979</u>	<u>795</u>	<u>1,012</u>
15 a CREDITORS: DUE WITHIN ONE YEAR	Consolidated		Foundation	
	2021 £k	2020 £k	2021 £k	2020 £k
Bank loan	750	-	750	-
Fees received in advance and deposits	1,128	1,052	1,128	1,052
Trade creditors	424	87	418	80
Taxation and social security	198	196	190	187
Pensions	142	142	141	143
Accruals and deferred income	1,628	768	1,584	745
Other creditors	<u>786</u>	<u>593</u>	<u>786</u>	<u>587</u>
	5,056	2,838	4,997	2,794
Advance fees (see note 16)	<u>834</u>	<u>820</u>	<u>834</u>	<u>820</u>
	<u>5,890</u>	<u>3,658</u>	<u>5,831</u>	<u>3,614</u>
15 b CREDITORS: AFTER MORE THAN ONE YEAR	Consolidated and Foundation			
	2021 £k		2020 £k	
Bank loan	18,963		6,255	
Hedging instrument for loan	609		1,416	
Advance fees (see note 16)	1,222		1,271	
Accruals	-		1,582	
Other creditors	<u>129</u>		<u>122</u>	
	<u>20,923</u>		<u>10,646</u>	

Bank loan

St Dunstan's Educational Foundation entered into a ten-year loan facility with HSBC in November 2019. This facility has a contractual variable interest rate linked to GBP 3 month LIBOR plus a margin of 2.25%. This rate will transition to SONIA plus a spread adjustment plus a margin of 2.25% from 31 January 2022.

St Dunstan's Educational Foundation is required to make quarterly repayments of the bank borrowings commencing the quarter ending 31 January 2022.

Bank borrowings are secured against the land and buildings of the Foundation (see note 10) and against collateral of £1m cash held in bank account (see note 13)

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

The bank loan facility agreement places some restrictions on the Foundation. In particular, the Foundation is required to maintain prescribed interest loan cover and debt service cover ratios for the duration of the loan.

A summary of the scheduled repayments of the bank loan is shown below:

	Consolidated and Foundation	
	2021 £k	2020 £k
Over 5 years	15,250	2,849
Within 2 to 5 years	3,000	3,000
Within 1 to 2 years	<u>1,000</u>	<u>750</u>
	19,250	6,599
Within 1 year	<u>750</u>	<u>-</u>
	<u>20,000</u>	<u>6,599</u>

The amount owed to the bank at 31 July 2021 was £20m (2020: £6,599k). The difference between this amount and the value of the loan in the balance sheet (2021: £287k, 2020: £344k) is due to unamortised loan arrangement costs.

Hedging instrument for loan

St Dunstan's Educational Foundation is using an interest rate swap to manage its exposure to interest rate movements on its bank loan facility with HSBC. The Foundation entered into a variable to fixed interest rate swap with HSBC in December 2019. This contract swaps the variable rate of interest for the HSBC loan facility of GBP 3 month LIBOR (which will transition to SONIA plus a spread adjustment from 31 January 2022) for a fixed rate of 1.072% per annum for the period up to December 2029.

The interest rate swap was valued externally by the counterparty bank by calculating the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted LIBOR rates.

Other creditors

In April 2019 the Foundation entered into a 5 year agreement with Holroyd Howe to provide catering to the College.

Existing assets, comprising a walk in freezer, kitchen refurbishment and dishwasher with net total book value of £50k were transferred from the previous caterer. These continue to be treated as fixed assets and are being depreciated over 2 years.

During the 2018/19 financial year Holroyd Howe also invested in an upgrade of the servery facility costing £153k and a mixer and washing machine costing a total of £16k. These are being treated as fixed assets and are being depreciated over 10 years and 5 years respectively.

The above sums are being written back over the life on the contract with Holroyd Howe. Of the sum invested £103k is reflected in other creditors over one year and £19k in creditors under one year with £32k being released to the Statement of Financial Activities in the year.

A summary of the position regarding the release of these sums to the Statement of Financial Activities is shown below:

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Consolidated and Foundation

	2021 £k	2020 £k
Over 5 years	36	51
Within 2 to 5 years	48	52
Within 1 to 2 years	<u>19</u>	<u>19</u>
	103	122
Within 1 year	<u>19</u>	<u>32</u>
	<u>122</u>	<u>154</u>

16 ADVANCE FEE PAYMENTS

College tuition fees may be paid in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the College, advance fees will be applied as follows:

Consolidated and Foundation

	2021 £k	2020 £k
Over 5 years	65	86
Within 3 to 5 years	623	607
Within 1 to 2 years	<u>534</u>	<u>578</u>
	1,222	1,271
Within 1 year	<u>834</u>	<u>820</u>
	<u>2,056</u>	<u>2,091</u>

The balance represents the accrued liability under the contracts. The capital movements during the period were:

	2021 £k	2020 £k
Balance at 1 August 2020/2019	2,091	2,386
New contracts (less repaid)	<u>952</u>	<u>670</u>
	3,043	3,056
Amounts utilised in payment of fees to the college	<u>(987)</u>	<u>(965)</u>
Balance at 31 July 2021/2020	<u>2,056</u>	<u>2,091</u>

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

17 ALLOCATION OF THE CHARITY'S NET ASSETS

2021

CONSOLIDATED

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	31,084	4,124	31	-	(22,941)	12,298
Restricted Funds	-	704	190	-	-	894
Unrestricted funds	<u>6,350</u>	<u>4,785</u>	<u>(855)</u>	<u>(21,727)</u>	<u>22,941</u>	<u>11,494</u>
	37,434	9,613	(634)	(21,727)	-	24,686

FOUNDATION

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	31,084	4,124	31	-	(22,941)	12,298
Restricted Funds	-	704	190	-	-	894
Unrestricted funds	<u>6,350</u>	<u>4,785</u>	<u>(800)</u>	<u>(21,727)</u>	<u>22,941</u>	<u>11,549</u>
	37,434	9,613	(579)	(21,727)	-	24,741

2020

CONSOLIDATED

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	17,527	3,778	31	-	(10,540)	10,796
Restricted Funds	-	280	794	-	-	1,074
Unrestricted funds	<u>5,979</u>	<u>4,351</u>	<u>54</u>	<u>(11,534)</u>	<u>10,540</u>	<u>9,390</u>
	23,506	8,409	879	(11,534)	-	21,260

FOUNDATION

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	17,527	3,778	31	-	(10,540)	10,796
Restricted Funds	-	280	794	-	-	1,074
Unrestricted funds	<u>5,979</u>	<u>4,351</u>	<u>91</u>	<u>(11,534)</u>	<u>10,540</u>	<u>9,427</u>
	23,506	8,409	916	(11,534)	-	21,297

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

18a FUNDS

	Balance at 1 August 2020 £k	Income £k	Expenditure £k	Realised/ unrealised gains/ (losses) £k	Transfers £k	Balance at 31 July 2021 £k
Unrestricted:						
College plus College Hire Limited	5,701	16,095	(14,609)	814	(117)	7,884
Other	<u>3,689</u>	<u>358</u>	<u>(57)</u>	<u>447</u>	<u>(827)</u>	<u>3,610</u>
	<u>9,390</u>	<u>16,453</u>	<u>(14,666)</u>	<u>1,261</u>	<u>(944)</u>	<u>11,494</u>
Restricted funds:						
Development Fund	91	-	-	-	-	91
Bursary Fund	248	-	-	23	-	271
Prize and Other Funds	<u>735</u>	<u>74</u>	<u>-</u>	<u>23</u>	<u>(300)</u>	<u>532</u>
	<u>1,074</u>	<u>74</u>	<u>-</u>	<u>46</u>	<u>(300)</u>	<u>894</u>
Foundation Endowed funds:						
Foundation capital	10,630	-	-	258	1,244	12,132
Legacies	12	-	-	-	-	12
Prize and Other Funds	<u>154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154</u>
	<u>10,796</u>	<u>-</u>	<u>-</u>	<u>258</u>	<u>1,244</u>	<u>12,298</u>
TOTAL	<u>21,260</u>	<u>16,527</u>	<u>(14,666)</u>	<u>1,565</u>	<u>-</u>	<u>24,686</u>

A brief description of the funds is set out below:

Unrestricted funds

The "College plus College Hire" unrestricted reserves represent the accumulated surpluses generated by the College and its wholly owned trading company College Hire Limited during their period of operation.

The "Other" unrestricted reserves have arisen principally from the investment activities of the Foundation. These represent both surpluses on invested funds and accumulated investment gains arising from the sale and revaluation of invested assets over time.

Restricted funds

The Foundation has a significant number of restricted funds which have arisen since St Dunstan's College opened in 1888. The largest of these funds are as follows:

Development Fund- This represents the balance of an appeal undertaken in the 1990's which principally funded the building of the current Sports Hall on the Stanstead Road site.

Development Appeal Bursary Fund- This fund arises from an appeal in the 1980's and 1990's to raise funds to fund awards made to boys and girls attending the school. The income of this fund is utilised to fund such awards and the capital is invested to generate income.

Prizes and Other funds- These are funds which have been given to the Foundation over many years for specific purposes and are utilised in accordance with the donor's wishes. The largest of these funds is the Heaton Caffin

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Fund which represents a legacy given by a former pupil of the school which gives the income arising from a local commercial property through a Will Trust to the Foundation on an annual basis. The annual income is circa £60k and is to be utilised to further British exports (70%) and team games (30%) or in a manner determined by the trustees. The balance held at 31st July 2021 on this fund was £446k (2020: £384k).

Most other funds in this category are specific prize funds, bursary or scholarship funds of a specific nature.

Foundation Endowment Funds

Foundation Capital- This represents the permanently endowed funds of the Foundation. These funds originate from the original endowment which was effectively given to the Foundation in 1867 and subsequently, under various Schemes of Arrangement made by the Charity Commission. These monies originate from the Parish of St Dunstan's in the East in the City of London. They are represented by an endowed investment portfolio and property. The trustees utilise these funds to make improvements to the endowed property in accordance with the originating Schemes of Arrangement.

Legacies: These represent the balance of various legacies which have been given to the Foundation.

Prize and Other Funds: These are other funds given to the Foundation generally via way of legacy or bequest.

18 b TRANSFERS

Transfers between the various funds were as follows:

	Unrestricted funds 31 July 2021	Restricted funds 31 July 2021	Endowment funds 31 July 2021	Total
	£k	£k	£k	£k
Additions to Endowed Property	(14,237)	-	14,237	-
Transfer of cash from Restricted Funds	300	(300)	-	-
Depreciation Adjustments to Endowed Property	577	-	(577)	-
Write off of Endowed Property	102	-	(102)	-
Net additions to Endowed Investments	(87)	-	87	-
Recoupment Order	<u>12,401</u> (944)	<u>-</u> (300)	<u>(12,401)</u> 1,244	<u>-</u> -

The transfers above represent:

- The value of additions to tangible fixed assets which are situated on endowed land
- Transfer of cash from Heaton Caffin Export Fund to College to help fund the new Junior School, STEM and Sixth Form building
- The depreciation of endowed tangible fixed assets, the expense for which is transferred from unrestricted funds to endowed funds
- The value of tangible fixed assets on endowed land that were written off during the year
- The purchase of endowed investments from unrestricted funds
- The value of the net recoupment order (see note 27)

19 CONTRACTS AND COMMITMENTS

At 31 July 2021 the Group had capital commitments totalling approximately £322k (2020: £12,358k).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

20 OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases for equipment and minibuses are as follows:

As lessee

	2021 £k	2020 £k
Amounts due:		
Within one year	50	82
Between two and five years	<u>145</u>	<u>133</u>
	<u>195</u>	<u>215</u>

As lessor

Amounts due:		
Within one year	42	42
Between two and five years	<u>84</u>	<u>169</u>
	<u>126</u>	<u>211</u>

The rental received as lessor relates to a property known as Fordmill Road Depot. It was let from 1st August 2020 on a five-year lease.

ST DUNSTAN'S EDUCATIONAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS

21 FINANCIAL INSTRUMENTS

The carrying amounts of the Group's financial instruments at 31st July were as follows

	Consolidated		Foundation	
	2021 £k	2020 £k	2021 £k	2020 £k
Financial assets:				
Debt instruments measured at amortised cost				
Feed debtors	307	448	307	448
Trade debtors	110	81	94	61
Accrued income	65	180	23	127
Amounts owed by group undertakings	-	-	139	106
Investments measured at fair value				
Stock market investments	8,952	8,409	8,952	8,409
Total	9,434	9,118	9,515	9,151

	Consolidated		Foundation	
Financial liabilities:	2021	2020	2021	2020
	£k	£k	£k	£k
Financial liabilities measured at amortised cost				
Fees received in advance and deposits	1,128	1,052	1,128	1,052
Trade creditors	424	87	418	80
Accruals	1,595	2,336	1,584	2,327
Other creditors	1,057	857	1,054	852
Other financial liabilities				
Bank Loan	19,713	6,255	19,713	6,255
Hedging Instrument for Loan	609	1,416	609	1,416
Advance fees	2,056	2,091	2,056	2,091
Total	26,582	14,094	26,562	14,073

22 PENSION COSTS

As explained in the accounting policies, the College operates five different pension scheme arrangements.

Teachers' Pension Scheme

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes employer contributions payable to the TPS of £991k (2020:£1,011k) and at the year-end £167k (2020 -£195k) was accrued in respect of employer and employee 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.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Valuation of the Teachers' Pension Scheme

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June 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.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision 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.

Group Personal Pension Scheme

Under the terms of the new St Dunstan's Educational Foundation Group Personal Pension Scheme ("the Scheme"), which is open to all of the College's non-teaching employees, the College matches employees' contributions (at a rate of 3%, 5%, 6% or 7%) to his or her own individual policy with the Scheme provider, Phoenix AMP (formerly AMP/NPI). The Scheme was revised in the year 2000 to comply with Government legislation. Due to poor investment returns on this type of policy, the governors decided that the Foundation would allow non-teaching staff to join the Independent Schools Pension Scheme (ISPS), with effect from 1 February 2004. Most former members of the scheme have transferred to ISPS.

Employer contributions payable to the Scheme in the year amounted to £1k (2020: £1k).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Independent Schools Pension Scheme ("ISPS")

The Charity participates in the ISPS Pension Scheme.

The ISPS Pension Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme. A number of benefit structures are available. The Foundation has opted for final salary with a 1/80th accrual rate.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period ended 31 July 2021 there has been a joint contribution rate of 23.1% comprising employer contributions of 14.1% and member contributions of 9%.

As at the balance sheet date there were twelve active members of the Scheme employed by the Foundation.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from the total scheme assets.

The last full actuarial valuation of the Scheme was performed as at 30 September 2017 by a professionally qualified actuary using the "projected unit method". The market value of the scheme's assets at the valuation date was £149.4m. The valuation revealed a shortfall of assets compared with the value of liabilities of £38.2m, equivalent to a past service funding level of 80%.

The financial assumptions underlying the valuation as at 30 September 2017 were as follows:

	% pa
Discount rate pre-retirement	4.21
Discount rate post-retirement	2.26%
Pensionable earnings growth	CPI – 2.45%
Rate of price inflation	RPI – 3.35% CPI – 2.45%

The valuation was carried out using the SAPS (Self-Administered Pension Scheme) Series 2 all pensioners by amounts tables with a scaling factor of 57% pre-retirement and 86% post retirement. The latest release of the Continuous Mortality Investigation Bureau projections, known as 'CMI_2013' were used for mortality projections with long term improvement rates of 1.5% per annum for males and 1.25% per annum for females

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

being used. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	26.1	27.4
Pensioners	23.8	25.5

The long-term joint contribution rate (i.e. employer and employee contributions) was assessed at 21% prior to 1 September 2017, then 27.3% for the 1/80th scheme).

Following consideration of the results of the Scheme's 2017 actuarial valuation it was agreed that the shortfall of £38.2 million would be dealt with by the payment of deficit contributions of £2.4 million per annum from 1 September 2019. These deficit contributors are in addition to the long-term joint contribution rates.

Under FRS 102 the Charity has been required to bring the past deficit contributions in to its balance sheet as a liability and charge past deficit contributions in the year against that liability. The movements on this provision are fully explained in note 23.

If the valuation assumptions are borne out in practice the pattern of contributions should be sufficient to eliminate the part service deficit, on an ongoing funding basis, by 30th April 2030.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The Scheme Actuary has estimated the employer debt that would have been payable if the employer had withdrawn from the Scheme at 30 September 2014 would have been £4m. The Foundation does not see a situation where it would withdraw its employees from participating in one of the pension options on offer from TPT Retirement Solutions and therefore it is highly unlikely that a debt on withdrawal liability would arise.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt. The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Employer contributions during the year excluding past deficit contributions amounted to £50k (2020: £60k).

Former members of the 1/60th Defined Benefit Scheme were offered the opportunity to transfer in to a 1/80th Defined Benefit with contribution rates of 9% for the employee and 14.1 % for the employer with TPT following the 2014 actuarial valuation. Employer contributions for the year ended 31st July 2021 are estimated at £40k (2021: £53k).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

The Scheme offers a Growth Plan as an additional voluntary contribution vehicle for members. The Charity does not participate in the Plan, no members make additional voluntary contributions. The Charity has been informed by the ISPS that it has no employer debt in relation to the Growth Plan.

ISPS -Defined Contribution Scheme (Auto Enrolment)

With effect from 1st April 2014 the Foundation was required to enrol members of its staff not currently in a pension scheme, in to a defined contribution scheme. The Foundation has used the Scheme provided by ISPS to meet its obligations under the auto-enrolment regulations. Employers and Employee rates are currently set at 3% and 5% respectively, with certain employees entitled to increase their employee contributions, with matching contributions from the Foundation of up to 10%. During 2014 employees of College Hire Limited also became entitled to join the Scheme. At the balance sheet date there were 89 (2020: 84) members active in this Scheme. During the year ended 31st July 2021 the Foundation has contributed £88k to this Scheme (2020: £86k).

Aviva Pension Trust for Independent Schools (APTIS) – Defined Contribution Scheme

With effect from 1st September 2020 the Foundation has allowed teachers to opt out of the Teacher Pensions Scheme and enrol in APTIS. The minimum employee contribution rate is 2% and the Foundation will contribute between 6% (minimum) and 16% (maximum) of an employee's salary. The employee selects the employer rate between these parameters and can select to receive additional salary of up to 10%. At the balance sheet date there were 3 (2020: nil) members active in this Scheme. During the year ended 31st July 2021 the Foundation has contributed £7k to this Scheme (2020: nil).

23 DEFINED BENEFIT PENSION SCHEME LIABILITY

The Foundation as explained in note 22 is required under FRS 102 to account for its share of the funding deficits on the ISPS Scheme valuations as identified by the 2014 and 2017 valuations of this multi-employer Final Salary Scheme.

The movements on this provision have been as follows:

	Consolidated and Foundation	
	2021	2020
	£k	£k
Liability at 1st August 2020/ 2019	888	939
Interest expense	7	12
Deficit contributions paid	(84)	(80)
Impact of change in assumptions	(7)	17
Liability at 31st July 2021/2020	804	888

The above deficit contributions and provision have been calculated and provided to the Foundation by TPT Retirement Solutions (formerly The Pensions Trust).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

The provision and deficit contributions take in to account relevant discount rates and bond yields. The recovery plan for the Scheme is aimed at eliminating the funding shortfall by 31st August 2030.

Deficit contributions from 1st September 2019 were £6,744 per month until 1 September 2020 when these rose to £6,946 per month. The deficit contributions rose by 3% from 1 September 2021 and will rise again by 3% each year from 1 September 2022.

24 RELATED PARTY TRANSACTIONS

The Foundation's transactions with its wholly owned subsidiary College Hire Limited and balances owing were as follows.

Summary of account	2021 £k	2020 £k
Balance owing at 1 st August 2020/2019	106	113
Recharges from Foundation to company		
Salaries and direct costs	9	14
Expenses	25	24
Provision of services by company to Foundation	(1)	-
Money transfers including gift aid	-	(45)
Gift Aid payable	-	-
Balance owing at 31 st July 2021/2020	<u>139</u>	<u>106</u>

There were no other related party transactions during the year. (2020: none).

25 AGENCY ARRANGEMENT

The Foundation has an agency arrangement with the Friends of St Dunstan's (FSDC) to hold monies on their behalf. FSDC is a Committee of parents who organise social events for the benefit of pupils and parents of the school. At 31 July 2021 the College held £17k (2020: £34k). The cash is held in the Foundation's bank account. This is a long standing arrangement which helps FSDC to undertake their activities which are all ultimately undertaken for the benefit of pupils of the school.

26 CONTINGENT LIABILITY

In December 2019 HMRC determined that College Hire Ltd was not an 'eligible body' for an exemption under VAT Act 1994. Subsequently, HMRC has also concluded that all supplies made by College Hire Ltd were actually management services provided to the parent charity, St Dunstan's Educational Foundation. If College Hire Ltd's supplies were managing services to the parent charity, then the estimated amount of VAT owed to HMRC at the balance sheet date is approximately £338k. This has increased from the previous year estimate of £260k due to this later conclusion from HMRC. The directors of College Hire Ltd, following expert advice from RSM UK Tax and Accounting Limited, disagree with HMRC's conclusion and, as this obligation is not considered probable in their opinion this amount has not been recognised as a liability in these financial statements. The directors of College Hire Ltd have therefore appealed HMRC's decision.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

27 CHARITY COMMISSION RECOUPMENT ORDER

The following recoupment order is reflected in the financial statements at 31 July 2021:

Date of Order	Capital Sum	Amount Outstanding	Method of Recoupment	Last Payment Year
	£k	£k		
4 Aug 2020	23,413	22,941	£472k per annum for a period of 50 years	2070

The Commission has authorised the trustees to spend the sum of not more than £23.6m from the charity's permanent endowment for the purpose of constructing the new Junior School, STEM and Sixth Form building. At 31 July 2021 the capital sum of the recoupment order is £22,941k (2020: £10,540k).

28 ANALYSIS OF CHANGES IN NET DEBT

Consolidated

	At 1 Aug 2020 £k	Cash flows £k	At 31 Jul 2021 £k
Cash and cash equivalents			
Cash	<u>3,550</u>	<u>981</u>	<u>4,531</u>
	3,550	981	4,531
Borrowings			
Debt due within one year	(32)	(737)	(769)
Debt due after one year	<u>(6,377)</u>	<u>(12,689)</u>	<u>(19,066)</u>
	(6,409)	(13,426)	(19,835)
TOTAL	(2,859)	(12,445)	(15,304)

Foundation

	At 1 Aug 2020 £k	Cash flows £k	At 31 Jul 2021 £k
Cash and cash equivalents			
Cash	<u>3,514</u>	<u>939</u>	<u>4,453</u>
	3,514	939	4,453
Borrowings			
Debt due within one year	(32)	(737)	(769)
Debt due after one year	<u>(6,377)</u>	<u>(12,689)</u>	<u>(19,066)</u>
	(6,409)	(13,426)	(19,835)
TOTAL	(2,895)	(12,487)	(15,382)

Accounts

St Dunstan's Educational Foundation

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

31 July 2020

ST DUNSTAN'S EDUCATIONAL FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

PRINCIPAL ADDRESS

St Dunstan's College
Stanstead Road
London SE6 4TY

CHARITY REGISTRATION NO.: 312747

GOVERNORS

The Governors of St Dunstan's College who are also the trustees of St Dunstan's Educational Foundation, and who served during the year and subsequently were:

		Members of Committee
Mr Paul Durgan	Chairman	4, 6
Mr Ian Davenport	Deputy Chairman	1, 2, 3, 4, 5, 6
Mrs Victoria Alexander		1, 6
Dr Yvonne Burne		1, 2
Ms Judy Clements		5, 6
Reverend Katherine Hedderly	(appointed 13 March 2020)	
Mrs Linda Kiernan		1
Alderman Nicholas Lyons		4
Professor Paul Leonard	(resigned 29 November 2019)	
Mr Ken Marshall		4, 5, 6
Mrs Rosalind Meredith	(appointed 19 March 2021)	
Mr David Probert		5, 6
Miss Diane Robertshaw		
Mr Shams Rahman		2, 5, 6
Mr Jonathan Ronan	(appointed 13 March 2020)	
Mr Navdeep Sheera		2, 3, 4, 5
Committee Key		
1 Member of the Education Committee		
2 Member of the Leadership and Governance Committee		
3 Trustee of the General Charitable Trust		
4 Member of the Finance and Investment Committee		
5 Member of the Property Committee		
6 Member of the Risk and Compliance Committee		

EXECUTIVE STAFF

Mr N Hewlett	Headmaster
Mrs C Wilkins	Bursar and Clerk to the Governors
Mr P Cozens	Head of the Junior School (resigned 30 th November 2019)
Miss L Whitwood	Head of the Junior School (appointed 20 th January 2020)
Mr A Johnson	Deputy Head Academic (resigned 31 st August 2020)
Mr J Holmes	Deputy Head Academic (appointed 1 st September 2020)
Mrs A Waite	Deputy Head Pastoral (resigned 31 st August 2019)
Mrs J McLellan	Deputy Head Pastoral (appointed 1 st September 2019)

The Headmaster and the Bursar and Clerk to the Governors attend all Committee and full Governing Body meetings. The remaining members of the College Leadership Team (CLT) attend all full Governing Body meetings, as well as the Education Committee, and other committees as required or requested. Other senior staff members from across the College are invited to attend any relevant Governors' meetings as necessary.

The Headmaster is a member of the Headmasters' and Headmistresses' Conference (HMC). The Head of the Junior School is a member of Independent Association of Prep Schools (IAPS).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

SOLICITORS

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BANKERS

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AUDITOR

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
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LONDON, EC4A 4AB

FINANCIAL ADVISORS

Rothschild & Co
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London
EC4N 8AL

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

We, as Governors, and also as Trustees of the Charity, have pleasure in presenting the annual report and financial statements for the year ended 31 July 2020.

The financial statements have been prepared to give a "true and fair view" and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1st April 2005 which has since been withdrawn.

The Governors have read the Charity Commissioner's guidance on public benefit and have paid due regard to the guidance as is evidenced in this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Dunstan's Educational Foundation was established by a Principal Scheme in 1883. The Scheme has been amended during the subsequent years. The current Charity Commission Scheme was amended in 1994 and in 2019. The Foundation is an unincorporated association however the incorporation of the Charity is under review. It has permanently endowed funds, restricted funds and unrestricted funds. These funds are kept separately to ensure they are utilised in accordance with the wishes of the original donor, the original trust deed and charity law.

The Governing Body when complete consists of 17 persons, being:

Three Ex-officio Governors:

The Alderman of the Ward of Tower in the City of London.

Two of the four Churchwardens of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East being those as appointed by the Parochial Church Council of the said Parish as the Churchwardens of St Dunstan-in-the-East. Each of the Churchwardens appointed by the said Parochial Church Council is appointed for a term of office ending on the date of the appointment of his or her successor.

Two Nominated Governors:

The Nominated Governors are appointed by the Parochial Church Council of the Ecclesiastical Parish of All Hallows by the Tower with St Dunstan-in-the-East. Each of the nominated Governors is appointed for a term of five years.

Twelve Co-opted Governors:

The Co-opted Governors are appointed for a term of five years by a resolution of the Governors. The Foundation is aware of the need to assess on an ongoing basis the mix of skills, knowledge and experience of its Governors and up to now the Foundation has been able to recruit co-opted Governors using the wide-ranging contacts of existing Governors, officers of the Foundation, alumni of St Dunstan's College, current parents and community partners.

Appointment of New Governors

Following appointment by the Board new Governors are formally inducted by the Clerk to the Governors once they have accepted their appointment. This induction involves visiting the College, meetings with and being briefed by key staff and the provision of a substantial background information pack on the Foundation and in particular the role and responsibilities, both financial and statutory of a trustee. New Governors are made aware of and encouraged to attend the many seminars and briefings held by the legal and accounting firms designed to brief new Trustees. In addition, all Governors attend a study period once a year to receive presentations on key issues affecting the Foundation and the sector more widely and to give them an opportunity to make strategic decisions about the future direction and policy of the Charity. All new Governors are required to complete appropriate safeguarding checks and induction paperwork to comply with relevant policies, covenants and legislation.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

To keep up to date with developments and changing legislation, many Trustees also attend various training days and seminars provided by the Association of Governing Bodies of Independent Schools, the Independent Schools Council, the Independent Association of Preparatory Schools, the Independent Schools' Bursars Association, The Headmasters' and Headmistresses' Conference, and legal and accounting firms.

The strategic direction of the Foundation is exercised by the Governing Body, it being jointly and severally responsible for ensuring the strategic direction of the Charity. Delegated and detailed challenge and support of the various elements of the leadership and management of the College is given to the various sub-committees. All Trustees attend meetings of the Governing Body, which take place at least once in each school term amounting to three meetings in any normal year. At these meetings Governors offer challenge and support to the Executive Leadership as well as making strategic decisions about the future direction of the Charity and ensuring policies are being implemented effectively. The Education, Leadership and Governance, Finance and Investment, Property and the Risk and Compliance Committees also meet each term prior to the full Governing Body meeting, so that the Chairman of each sub-committee can present a short report to the full Board. Each Committee has a nominated Chairman; the Chairman of the Board of Governors and the Deputy Chairman currently attend each Committee along with at least four other Governors. Day to day running of the College, the Senior School and the Junior School is delegated to the Headmaster who Chairs the College Leadership Team (CLT) which is constituted by the Head of the Junior School, the two Deputy Heads of the Senior School (Academic and Pastoral) and the College Bursar (who is also Clerk to the Governors). The provision of support and business services for all aspects of the running of the College is delegated to the Bursar. The responsibility for complying with all charity and related regulations is delegated to the Clerk.

The Foundation has a wholly owned subsidiary company, College Hire Limited, Company Number 04396837, to promote and manage the use of Foundation assets and facilities when not required by the College. The Deputy Chairman is the Chairman of the Board of Directors of the Company and the Bursar is the Company Secretary.

The Governors continue to examine the principal areas of the Foundation's operations and to consider the major risks faced in each of these areas. In the opinion of the Governors, the Foundation has established resources and systems to take appropriate actions which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

Key Management Personnel and Remuneration

Pay for the CLT is reviewed annually by the Leadership and Governance Committee, which is made up of all the Committee Chairs and includes the Chairman of Governors.

The Charity has, for many years, engaged in educational benchmarking surveys and regularly monitors remuneration and benefits within the independent school sector. A full and thorough review of staff pay of all posts across College was carried out by the Headmaster and the Bursar in 2018, followed by a period of consultation with staff. The rationale behind this review was to ensure parity and transparency across all posts within the Foundation, and to ensure that, as far as is possible, the Charity is not demonstrating and form or either conscious or unconscious bias or discrimination in the reward of pay. Decisions were based on the most up-to-date benchmarking data, market trends, market availability and a full analysis of responsibilities held.

Risk Management

The Governors are responsible for the overseeing of the risks faced by the Charity. Detailed considerations of risk and their mitigation are delegated to the CLT. Risks are identified through effective use of the Foundation's risk register and are assessed by the College Health and Safety Committee (which includes Senior and Middle Leaders); the Inspection and Compliance Committee (which includes Senior Leaders) and the Governor Risk and Compliance Committee. The risk register identifies potential risks which are grouped into four sections: 1) strategic and reputational risks; 2) operational risks; 3) compliance risks and 4) financial risks. The detailed risk register is analysed and discussed by the Risk and Compliance Sub-Committee and an executive summary is produced three times a year for each of the full Board meetings of Trustees. Current areas of focus for the Foundation include the impact of the COVID-19 pandemic, political and economic instability, compliance with loan covenants and the associated capacity to deliver these; and the recruitment and retention of staff.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

A formal review of the Health and Safety Policy and other key Policies are undertaken by the Foundation's Risk and Compliance Committee annually. An organic and 'live' serious incidents log is also maintained by the CLT and is reported to all committee and full board meetings. This document captures all current incidents from across the Charity that are considered 'one-off' incidents that pose the potential for significant risk to the Charity and its reputation. Trends within this log are reviewed termly by the CLT, alongside the complaints log and bullying log, and actions are formulated as a consequence. An annual report is presented to the Full Board in its summer meetings looking at annual trends in serious incidents, bullying, parental concerns and complaints, in order to offer challenge and ensure appropriate action is being taken to mitigate against risk.

VISION, VALUES AND OUTCOMES

The principal object of the Foundation is to provide and conduct in or near Lewisham, a day school for boys and girls.

Vision and Values

The College Vision is a statement of the overarching strategic objective for the education at work within the College. It was formulated by the Foundation and College Leadership Team in 2019, to guide all the educational and operational planning within the College: 'An ambitious forward-thinking community that inspires and supports individuals to thrive'.

Our vision seeks to capitalise upon the rich and imaginative history of our College without being constrained by it, delivering a deliberately ambitious and forward-thinking approach to education without losing sight of the importance of supporting and inspiring individuality. St Dunstan's aspires for all its young people to thrive in every way – personally, physically, socially and academically – and the breadth of the curriculum and co-curriculum is entirely designed to support that ambition. Our community is a key determinant in defining who we are – our vibrant and grounded Lewisham location, our rich and inspiring history, our co-educational setting, and our eclectic Dunstonians, near and far – all of this sets the tone for a community that is particularly well positioned to embrace the range of challenge and opportunity presented by the globalised world of which we are now a part.

It is our aspiration that, through an innovative approach to the fulfilment and embellishment of this vision, and through a broad and far-reaching education, the College will help its young men and women develop as individuals, to be at ease with themselves and others, and to have a thirst for the richness of life that is aided by having developed the following values of character:

- Confidence
- Courage
- Creativity
- Curiosity
- Compassion

Development Planning

The Foundation has an embedded and effective development plan cycle that fuels the work at all levels of the organisation. The annual College Development Plan stems from ongoing and specific periods of self-evaluation and reflection and is fundamental in underpinning the focus of all elements of the College's educational development. A distributed approach is taken to the creation of the key priorities in any one year, with pupils, staff, parents and governors feeding into the plan. All development plan priorities within any one year are intrinsically linked to the fulfilment of our aims and values, which in turn drive the impact on pupil personal and academic achievement. The College Development Plan is ratified annually by the Governing Body at its annual study period. In reviewing the Development Plan, our Governors give careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. They consider that the Charity is providing considerable public benefit.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

Aims

The St Dunstan community works towards 20 outcomes for any three-year cycle of our development, all of which are rooted within a community framework:

Our Pupils

- To have maintained high levels of pupil achievement through ambitious and forward-thinking teaching and academic leadership.
- To have maintained rapid rates of pupil progression through an ambitious culture of learning that is increasingly realising high levels of pupil attainment.
- To be delivering an ambitious and forward-thinking Co-Curriculum which ensures engagement for all.
- To be delivering an ambitious and forward-thinking Examined and Additional Curriculum that best prepares our pupils for the future.
- To be providing an ambitious and forward-thinking approach to assessment and the monitoring of pupil progress that engenders pupil agency in their own progression.
- To have embedded consistency in our approach to monitoring, communicating and responding to individual pupil safeguarding, wellbeing and learning needs.
- To have improved the mechanisms by which we communicate with, listen to and respond to pupils.

Our Staff

- To have developed an ambitious and forward-thinking approach to staff professional development.
- To have an ambitious and forward-thinking approach to staff well-being.
- To ensure that safeguarding is embedded at the forefront of everyone's thinking.

Our Environment

- To have an ambitious and forward-thinking approach to our delivery of Information Technology.
- To have developed safe and inspirational learning and working environments for our whole community.
- To have an ambitious and forward-thinking approach to sustainability across the community.

Our Partners

- To have developed an ambitious and forward-thinking approach to our community relationships and the mutual benefit that stems from them.
- To have an ambitious and forward-thinking programme of charitable giving and charitable partnerships.
- To have an ambitious and forward-thinking approach to parent communication.
- To be receiving tangible benefits from international engagements.

Our Business and Charity

- To have developed excellence in administrative and technical support.
- To have developed excellence in financial and business management.
- To be ambitious and forward thinking in our approach to generating income through effective marketing, development and fundraising.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

Measurable Outcomes

The Foundation aims for quantifiable performance within Key Performance Indicators (KPIs):

- Recruitment of Pupils
- Retention of Pupils
- Results of Pupils

These KPIs are monitored regularly by the CLT. The success of these has been captured and reported on throughout this report.

Key Policies

Admissions

The Foundation is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. Our fees are set at a level to ensure the financial viability of the College and at a level that is consistent with our aim of providing a first class education to boys and girls.

Our College welcomes pupils from all backgrounds. To admit a prospective pupil we need to be satisfied that St Dunstan's will be able to educate and develop a prospective pupil 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 ourselves that potential pupils can cope with the pace of learning and benefit from the education we provide.

Equal Opportunities

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Safeguarding

The Foundation is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. Comprehensive annual training on safeguarding and child protection is given to staff working at all levels of the organisation. Termly safeguarding reports and a serious incident log with anonymised information are given to the governing body to support discussion of pastoral trends. The Designated Safeguarding Lead keeps abreast of changes in national guidance and ensures this is appropriately reflected in the College's safeguarding policies. The College also has safer recruitment policies and procedures in place which are subject to internal and external review.

The College has a forward –thinking pastoral approach with a robust pastoral staffing structure comprising tutors, heads of year and assistant heads. This approach is encapsulated in the work of our Wellness Centre, which services as a centre for child mental and physical wellbeing and includes provision for counselling, chaplaincy, nurse-led support of physical health needs and mental and physical first aid.

Access and Public Benefit

It is important to us that access to the education we offer is not restricted to those who can afford our fees. We believe our pupils benefit from learning within a diverse community. A great deal of learning occurs through social interaction, conversation and shared experiences which helps our pupils develop an understanding of the perspectives of other people that will be vital in their adult lives.

Our bursary policy together with our involvement in the community contributes to a widening of access to the education we offer and the facilities we enjoy.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

The College is part of a wider community and it strives to ensure that we are fully integrated with it. A significant and growing community service programme, a range of educational benefits offered to local children and state schools, a community Summer Festival and regular review of how our facilities are best deployed for community use, out of term time, are all important features of College identity. The College continues to be a partner school of the London Academy of Excellence in Tottenham, where the Headmaster serves as a Governor and where the Charity has committed resource to support this school community.

The success of our community programmes is explained in the review of activities and achievements section of this report.

Bursary Policy

The Governors view our bursary awards as important in helping to ensure that children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to families who meet our general entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means we take a number of factors into consideration including family income, investments and savings and family circumstances, for example dependant relatives and the number of siblings. However, the Foundation does not have a large endowment and in funding our awards we have to be mindful that we must ensure a 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 bursary awards range from 5% to 100% remission of fees. Further details of our bursary policy and how to apply are available on our website.

The success of our bursary scheme is explained in our review of activities and achievements section of this report. Details of all awards are also set out in note 2 to the financial statements.

Scholarship Policy

The purpose of our scholarship awards is to recognise high academic potential or the ability to excel in our co-curricular activities. Our scholarships are awarded on the basis of the individual's academic potential or evidence of exceptional abilities which will contribute to our co-curricular activities. In addition, awards may be subject to conditions imposed by the original donor.

Scholarships are awarded with a fixed remission of fees of either 10% or 25%. Where further assistance is required, scholarship awards may be supplemented by a means-tested bursary. Further details of our scholarship policy are available on our website.

ACHIEVEMENTS AND PERFORMANCE

College Roll

The College Roll at the end of the following academic years was:

	2019/20	2018/19
Junior School	302	300
Senior School	636	609
Total	938	909

Details of Bursary and Scholarship Awards for Senior School Pupils

Bursaries

This year the value of means tested bursaries, that were accepted, totalled £695k (2019: £617k) and represented 6.6% (2019: 6.1%) of our gross senior school fees. Bursaries provided assistance to 59 (2019: 48) of our pupils, of which 14 (2019: 7) pupils benefitted from a full remission of fees.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

Scholarships

In addition, the College awarded scholarships to 212 senior school pupils (2019: 196), based on their educational merit and potential. Of this number, 25 (2019: 19) also qualified for means-tested bursary support and are included in the figures relating to bursary awards. The value of scholarships to those in receipt solely of an academic award amounted to £742k (2019: £756k) or 7.0% (2019: 7.5%) of gross senior school fees.

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of reviews.

Means-tested bursaries and scholarships are not available to pupils in the Junior School.

Review

The Foundation awarded scholarships, bursaries and prizes to the value of £1,567k (2019: £1,496k). Of these £25k (2019: £24k) were made from restricted funds. The bursary and scholarship review completed by Governors in 2018 led to the increase in bursary awards shown above. However, the number of bursaries which are accepted fluctuates.

Examination Results

GCSE:

- 61% (2019: 57%) of grades awarded were an A* or A (9, 8 or 7)
- 82% (2019: 73%) of grades were A* to B (9, 8, 7 or 6)

A Level

- 57% (2019: 35%) of grades awarded were A*-A
- 87% (2019: 69%) of grades awarded were A* to B
- 100% of pupils passed at A* to E grades (2019: 100%)

Co-curricular Activities

The Forder Programme is the name given to the College's ambitious co-curricular programme.

In the Senior School the Programme offers more than 100 activities across the course of any one week, representing a significant diversity of interests. The quality of Art, Drama, Music, Sport, Combined Cadet Force (CCF), Duke of Edinburgh Award Scheme and Community Service, as our core co-curricular areas, is very good and pupil participation is exceptionally high. The Programme is constantly evolving to represent the flavour and interests of the current students and staff and ranges from Tri Club to Amnesty, CCF to Warhammer and Music and Drama to Film Club.

In the Junior School a similar breadth of choices on offer, from Rugby Munchkins in Pre-Prep to British Sign Language, Coding and Drones and Robots in the Prep.

Community Links and Public Benefit

In addition to the above bursaries and scholarships, the Foundation has also supported the following community activities:

College Facilities

- Over a number of years, the Foundation has sought to widen access to its facilities, often at fee rates well below commercial levels. This year's activities were impacted by COVID-19. However, the grounds and sports facilities are let as much as possible at weekends and in holiday periods to local users who wish to run various events and sporting activities. During the summer, where possible, classroom facilities are let to various language schools, which provide a programme of English tuition, combined with cultural and sporting activities, to students from all over the world.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

- College facilities are routinely offered for free to our local state schools including, for example, use of our Great Hall for Christmas concerts, our Jubilee Grounds for Sports Days and sporting festivals, and our swimming pool to offer swimming lessons to those who would not otherwise be able to access them.
- Our facilities are also used to support local events. The Jubilee Ground supported the Catford Arts Trail, hosting local artist displays for the public and our Great Hall hosted a community antiques fair.

School Partnerships

- A partnership with the London Academy of Excellence in Tottenham began in 2016. The Headmaster serves on the Governing Body, and as part of that partnership the College has had various exchanges with students. The Foundation also makes a direct financial contribution to the work of that school.
- There is a strong link between the College's CCF and local state schools. Students from the community have formed part of our Contingent and their teachers help serve and work with our staff in running the cadet activities, to the mutual benefit of both sets of students.
- We have continued to develop our partnerships with local state schools, where we actively consider any possible bursary and scholarship candidates for access to the College, but also look at other ways in which we might be able to support them. Our Careers events have been opened to students from these schools and masterclasses provided in particular subject areas.

The Arts

Sadly due to the coronavirus pandemic the St Dunstan's Festival was unable to run this year. However the College's Community Choir, which is open to parents, alumni and friends of the school, met until prevented by lockdown. Chapel Choir and SDC Voices provide regular enhancement of community worship, singing at All Hallows by the Tower and St Augustine's Church. St Dunstan's also served as a centre for the community for those children who wished to enter ABRSM music examinations last year.

Sport

- Over 13,000 hours of football hire is made available to the public on our synthetic sports pitches annually. The St Dunstan's Jubilee Ground hosted and supported offering free access to over 900 local Primary School children who attended Lewisham School Games Football events over 3 days. The Jubilee Ground is host to Remark Community Deaf Junior Football Training. Free pitches were offered for training to Lewisham's district football squad. Lewisham's London Youth Games football squad given free access to train ahead of the event. Five hours a week of free pitch hire was offered to Catford and Lewisham police units for training and fitness. Dalmain FC offer free Community Football development at the Jubilee Ground to local girls aged 7-12. St Dunstan's Jubilee Ground is Tottenham Hotspur FC's only Southern Football Centre offering holiday development programmes with premier league standard coaching to local children.
- St Dunstan's College hosted Goldsmith's University Varsity Day with multiple sports being played across the main college and Jubilee Ground sites with over 500 participants and spectators.
- Our sports hall is also available for public hire
- St Dunstan's continued in its annual support for the MCC Community Cricket Hub offering local children 13 weeks of free cricket coaching and pathways. The Jubilee Ground is also home to Catford Cyphers Cricket Club and Beckenham Cricket Club.
- Jubilee Ground hosted the Lewisham Schools Netball Event for 12 local schools competing at years 5 & 6.
- In hockey, 35 hours weekly hire was made available to local community clubs.

Community Service

- At St Dunstan's College, we encourage students of all age groups to take an interest in their local community and to take up the opportunities available to get involved. The Community Service Programme has expanded and flourished over the years and we are pleased to see that the number of students involved in the wide range of activities offered is increasing.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

- This year students pioneered a competitive project amongst each year group to fill the food bank in Catford library on a weekly basis. Two students maintained the Catford Bridge book exchange every week. Fifteen students helped out in the Junior School, providing teaching support and after-school care.

Charity

- In the academic year 2019/20 we supported a wide range of charities with special events and a weekly collection as each form in turn brings their offering to the main assembly.
- During this year we raised nearly £5k supporting the work of 8 local, national and international charities.

Community support through the COVID-19 pandemic

- More than 750 items of PPE were produced by St Dunstan's Design and Technology Department. These were delivered to:
 - King's College London
 - St Christopher's Hospice
 - Bethlem Royal Hospital
 - Local GP surgeries
- Other protective eyewear donated from the Art Department and Science Labs was given to local hospitals and GP surgeries
- Food and drink donated to Catford's Saturday Soup Kitchen included 170 apples, 150 eggs and 10kg new potatoes.
- Food and drink deliveries were made to the Trussell Trust Foodbank in Forest Hill
- A dedicated Support Hub was created on our website featuring the latest NHS and PHE guidance, mental health advice and daily tips for lockdown suggested by teachers and pupils
- St Dunstan's Lectures were posted online for the whole community to enjoy – more than 15,000 views

Sustainability

The College has made great strides in sustainability this year, with valuable input from the student Sustainability Committee:

- Wildflowers and 1,000 bulbs planted around the College
- Computers installed with software to automatically switch off after working hours
- Meat free Tuesdays and plastic bottles no longer provided in the refectory
- Participation in Earth Hour
- Car Free Days
- Air Quality award for the Junior School
- A new junior woodland classroom
- Senior School nature and science pond
- Environmentally friendly construction methods

FINANCIAL REVIEW

These financial statements cover the year ended 31 July 2020. The Foundation has achieved a sound operational performance in 2019/20 achieving an operating surplus of £902k (2019: £762k) prior to investment losses.

The College's fees receivable, including grants from the Foundation, for the year amounted to £13,473k (2019: £13,421k), representing a 0.4% increase over the previous twelve months. In overall terms, however, the Foundation's funds have decreased during the year by £1,655k (2019: increase of £283k). The value of investments decreased during the year by £1,048k mainly due to revaluations. (2019: decrease of £4,279k reflecting the transfer of one property into fixed assets (£814k), the sale of investments to fund pre-construction for the new Junior School/ STEM block (£3,190k) and revaluations). The value of the interest rate swap entered into in December 2019, alongside the HSBC loan facility to help fund the JS/ STEM building, decreased in value by £1,416k since its inception.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

College Hire Limited achieved a loss of £37k (2019: £45k profit). In December 2019 HMRC determined that College Hire Limited was not an 'eligible body' for an exemption under VAT Act 1994. The Directors of College Hire Limited, following expert advice, disagree with HMRC's conclusion and the potential liability arising from HMRC's conclusion, estimated at £260k, has therefore not been recognised as a liability in these accounts (see note 26).

Note 17 to the accounts sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the Foundation's obligations on a fund-by-fund basis.

The Foundation's tangible assets are all held for use in the College. In the present property market the Governors do not consider that their estimate of the value is materially different from that shown in the accounts. Investments are held to create income and capital growth pending utilisation on the objects of appeals, bequests or donations or to match liabilities as appropriate. These are valued at cost or appropriate valuation (see note 11).

GOING CONCERN

At the time of signing these financial statements the Coronavirus disease (COVID-19) continues to be a pandemic. As discussed in more detail in the going concern accounting policy on page 24, the Trustees have a reasonable expectation that the Charity remains a going concern for the following key reasons:

- Demand for places at the College has been increasing. In November 2019 the College has successfully completed a full ISI education inspection resulting in 'excellent' judgements in all areas as well as a successful compliance inspection. In October 2020 St Dunstan's College was named Independent Coeducational School of the Year at the Independent School Awards 2020. The College is making significant investment in its facilities, including the building of a Junior School and STEM block. Detailed market research was completed during 2018 which reported that the number of families within the catchment area who can afford an independent education will increase by 16% by 2024. This change in local demographics combined with the increased popularity provides a sound basis for the future success of the Charity.
- Performance of detailed financial modelling looking forward at least 12 months demonstrating that the Foundation has sufficient cash and is able to meet the financial covenants within its new loan facility. Scenario analysis performed demonstrates that there are sufficient funds available to meet the cost of increased 'bad debt' which could arise where parents' financial circumstances are impacted by COVID-19. The Foundation monitors fee debtors closely.
- Both the UK Government and the Foundation's bankers have indicated their support for businesses impacted by COVID-19.

The Governors are unaware of any other factors which would impact on the Charity being treated as a going concern.

INVESTMENT PERFORMANCE

Governors are pleased with investment income, which is better than forecast. However, the market value of the investments decreased by £1,124k since 31 July 2019 due to the market volatility arising from the COVID-19 pandemic. Governors are reviewing the investment strategy to ensure that this meets the needs of the Foundation going forward. The overarching investment objective is to maximise investment income while at least maintaining the value of the funds in real terms. An income target is set and reviewed annually.

During the year an income return of 4.3% (2019: 4.8%) was achieved on invested funds which are managed by UBS Wealth Management. It is anticipated that the rate of investment return in 2020/21 will be around 2.7%.

There was a 21.7% decrease (2019: 2.1% increase) in the FTSE 100 index over the year. In 2020 the Foundation's investments decreased in value by 12.1% (2019: 2.2% decrease).

INVESTMENT POLICY

The overall investment policy of the Governors is to maintain a well-balanced portfolio of investments covering a spread of equities, gilts and properties to meet the needs of the Foundation in terms of both capital growth and income. This policy is not restricted by ethical or other considerations, however, this is currently under review.

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

PRINCIPAL RISKS AND UNCERTAINTIES

An Inspection and Compliance Committee, consisting of staff leaders from across all areas of the Foundation, meets six times a year and updates the relevant sections of the Foundation's Risk Register. This information feeds into the Foundation's Risk and Compliance Committee, a sub-committee of the full Governing Body who meet three times a year.

Current and potential future risks are assessed, along with the measures required to reduce the likelihood or mitigate the impact. The executive summary, that accompanies this detailed register, highlights the following key risks, which are discussed and monitored closely by Governors and College Leadership Staff.

Current Key Risks and Hazards

- Capital construction risks, particularly those created by the COVID-19 pandemic and Brexit.
- Financial and operation risks linked to the building of the new Junior School and STEM block and the impact on cash flow, Teachers Pension Scheme rising costs and financial uncertainty created by the COVID-19 pandemic
- COVID-19-triggered challenges, including the subsequent impact on workloads and the potential impact on the wellbeing of pupils and staff
- Recruitment risks and the priority of attracting and retaining the highest quality staff
- Travel to and from school for pupils, staff and parents and the potential risks for pedestrians and cyclists
- Unincorporated Charity and the risks associated for Trustees

Detailed plans have been drawn up and implemented to mitigate these and all other high risks identified.

The construction of the new Junior School and STEM block is being delivered by an experienced contractor and there is strong project management in place to help mitigate the risk of delays and overspend, which decreases as we move closer to completion in April 2021.

In order to address the financial and operational risks associated with the new building and other financial uncertainty, the Foundation regularly prepares financial forecasts which reflect various economic scenarios. These are reviewed periodically by the Governors. The Reserves Policy, set out below, also helps to ensure that the Foundation can withstand financial uncertainty. The Foundation is also working closely with HSBC in respect of ensuring the financial covenants within the loan facility are met.

The College is providing ongoing pastoral support for pupils and for its staff. The Staff Welfare Committee works to address any concerns raised by staff. Additional teaching support has been secured for this academic year to help alleviate workload.

The College continues to be an exciting place to work. This was confirmed by the ISI report in November 2019 and by the success of the College in the 2020 Independent School Awards. The College continues to ensure that the benefits it pays to staff are competitive and the College works to retain staff through rigorous performance management, opportunities to develop and by looking after staff welfare.

The Foundation is trialling access to the College from Ravensbourne Park. Other potential access routes are also being considered.

A review of the status of the Foundation as an unincorporated charity has commenced with professional advice being sought.

RESERVES POLICY

The Foundation's Reserves Policy is to maintain sufficient unrestricted reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall, and to rely on the readily realisable investments of the Foundation's unrestricted reserves for that purpose. The Foundation will apply from time to time to the Charity Commission in England and Wales to liquidate restricted or endowed reserves as adequate cover for the Foundation's longer-term capital expenditure commitments and any longer-term financial obligations

At 31st July 2020, the Charity had total reserves of £21,260k (2019: £22,915k).

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

Of these reserves £1,074k (2019: £1,084k) are "Restricted" and they can only be utilised in accordance with the wishes of the original donor. The majority of these funds provide income for bursaries, scholarships, prizes and other specific purposes outlined by the donor in a specific deed or their will.

In addition, the Charity had Permanently Endowed Funds of £10,796k (2019: £13,737k) at 31st July 2020. £10,765k of these Endowed Funds can only be realised by disposing of fixed assets. Endowment Funds originate from a Scheme made by the Charity Commission in 1869 under the Endowed Schools Act 1869. These "Endowed" funds again provide income for scholarships and bursaries and other charitable activities but if the Charity wishes to expend capital contained in these funds the Trustees may need to seek Charity Commission approval depending on the nature of the proposed expenditure.

The balance of reserves is "Unrestricted". The Charity had no designated reserves at 31st July 2020. At 31 July 2020, the Foundation had unrestricted funds of £9,390k (2019: £8,094k).

In November 2019 the Trustees of St Dunstan's Educational Foundation signed a construction agreement with Willmott Dixon Ltd to build a new Junior School and STEM and Sixth Form building. The value of this construction agreement is £21.5m with the total cost of the development (including professional fees, furniture and fittings and the creation of new multiple use games areas for netball) being £24.5m. As at 31st July 2020 the value of the works to date is £11,087k (of which £10,540k is for the Junior School and STEM building built on endowed land). The cost is being met by the use of the Foundation's unrestricted reserves, the sale of some endowed investments, see below, and a £20m bank loan facility from HSBC UK Bank plc.

The Charity Commission granted permission for the Foundation to utilise £3,000k of the Endowed Funds to fund the pre-construction phase of the new Junior School and STEM block. As at 31 July 2020 £1,846k of Endowed investments have been transferred to the Unrestricted Fund and utilised to fund this work.

The Charity Commission authorised the Trustees to spend the sum of not more than £23.6m from the Charity's permanent endowment for the purpose of constructing the new Junior School, STEM and Sixth Form building. At 31 July 2020 the value of this Recoupment Order is £10,540k.

The Trustees consider that the Foundation holds a sufficient level of unrestricted reserves to meet the Foundation's short-term financial obligations. At 31 July 2020 unrestricted net assets were £91k (2019: net current liabilities of £392k) and unrestricted cash and listed investments were £6,416k (2019: £7,031). The Trustees consider this is sufficient to enable all aspects of the Foundation's work to be conducted in an orderly and efficient manner and to provide cover for unexpected but unavoidable items of expenditure which cannot be funded from current income.

The Foundation has an agreed business plan and model which demonstrates how it is anticipated that the new building and other property development will increase student numbers. The forecast surpluses from this increase in student numbers will be utilised to re-build reserves.

PLANS FOR FUTURE PERIODS

Strategic priorities for the Charity, established by the Strategic Working Party and ratified by the Full Board at Eastbourne 2019 are:

- 1) To fulfil the purpose and objects of the Charity in such a way that ensures legislative compliance, proactive risk management, best practice and clear community and public benefit
- 2) To ensure safeguarding children is at the forefront of all we do.
- 3) To ensure progress is made in the fulfilment of the educational outcomes as articulated through the College's vision.
- 4) To ensure outstanding strategic leadership through:
 - high and consistent expectations of all governors
 - transparent, regular and consistent procedures for the review of leadership within the Governing Body and its effective succession planning
- 5) To future proof the quality of education through ensuring:

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

- effective and accountable operational leadership by the College Leadership Team and robust succession planning
- the development and enhancement of facilities through an agreed and sustainable facilities master-plan
- enacting regular scrutiny of the curriculum and how it connects to the changing future landscape

6) To future-proof revenue for the Charity by developing plans for:

- sustainable expansion of the College roll
- developing domestic and international partnerships
- enhancing the development office and links with alumni
- enhancing business opportunities
- developing the real estate portfolio
- developing outstanding facilities to support educational excellence

7) To future-proof the Charity against changes to the political and economic landscape by enacting procedures for:

- regular and on-going market research
- financial modelling of future scenarios
- robust use of the Charities risk register
- mitigation of risks associated with international partnerships
- regular review of the structure of the Foundation and its associated liabilities

When considering the Foundation's finances, the Governors are acutely aware of the need to maintain an equitable balance to ensure current pupils benefit whilst, at the same time, ensuring a sound infrastructure and financial base are preserved for generations to come.

The property master plan addresses the priorities that Governors have for the current facilities and ensures St Dunstan's competes with other local schools. A major part of this master plan is to provide inspirational and innovative learning environments to enhance the student experience in STEM subjects (Science, Technology, Engineering and Maths) and improve access to independent study spaces for sixth form students.

These property works are expected to span over five years. The first year of this programme was completed in the summer of 2018 and included a complete refurbishment of the 130 year-old main corridor, a new student hub area; a complete redesign of the English classrooms and a new £1.2m multi use games area. Year two, 2019, saw the refurbishment of the history classrooms as well as the Jubilee Pavilion, including new netball courts and girls' changing rooms and the redevelopment of the Foundation's property in Blythe Hill. The new Junior School and STEM block construction is underway and due to complete in April 2021. The final phases of development focus on The Plaza (an outdoor performance and social space), the Performing Arts Centre and the refurbishment of the Sports and Leisure Centre.

In addition to this capital works programme Governors continue to support the works required to ensure the highest standards of health and safety.

FUNDRAISING PRACTICES

During the year, the Foundation has sought to raise funds from the public. The Development Office and Headmaster have approached parents, alumni and other individuals connected to the Foundation to seek donations towards the Foundation's development plans. In January 2020 the Foundation engaged the services of a self-employed consultant to advise on its fundraising strategy. Aside from this, the Foundation has not employed the assistance of any professional fundraisers or had fundraising carried out on its behalf.

The Foundation always aims to follow best practice in fundraising, and in doing so abides by specific fundraising law (including the General Data Protection Regulation and any associated or implementing legislation) and relevant guidance from regulatory and other bodies including The Charity Commission (CC), The Fundraising Regulator, The Institute of Fundraising (IoF) and The Information Commissioner's office.

The Foundation adopts the following general standards:

- a) all funds raised for a particular cause must be used for that cause;
- b) we will not denigrate other individuals or organisations;

ST DUNSTAN'S EDUCATIONAL FOUNDATION

TRUSTEES' REPORT

for the year ended 31 July 2020

- c) we will not exaggerate facts;
- d) we will not take advantage of mistakes made by donors;
- e) we treat donors fairly*

* We protect donors and potential donors by treating donors fairly:

- we enable them to take informed decisions about donations. We take account of needs of donors who may be vulnerable or may need additional support to make an informed decision
- we do not take advantage of credulity, lack of knowledge or apparent need for support or vulnerable circumstance
- we do not seek or accept donations if we know or suspect that a potential donor lacks capacity and will return any donations made by someone who lacked capacity at the time
- we do not make unreasonable intrusions into privacy, are not unreasonably persistent and will not place undue pressure on anyone to donate
- we will not ask for support if a person has clearly indicated that they do not wish to continue to engage or we have reasonable grounds for believing in the course of engaging with an individual that they are in vulnerable circumstances and unable to make an informed decision to donate.

In order to meet these standards, we adopt the Institute of Fundraising Treating Donors Fairly guidance.

The Foundation is registered with the Fundraising Regulator and adheres voluntarily to the Regulator's Code of Fundraising Practice.

There have been no complaints with regards to fundraising in the year.



Mr Paul Durgan

On behalf of the Governors:

Date: 19 March 2021

ST DUNSTAN'S EDUCATIONAL FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Governors are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ST DUNSTAN'S EDUCATIONAL FOUNDATION

Opinion

We have audited the financial statements of St Dunstan's Educational Foundation (the 'charity') and its subsidiary (the 'group') for the year ended 31 July 2020 which comprise the Consolidated Statement of Financial Activities, the Group and parent charity Balance Sheets, the Group and parent Cash Flow Statements 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 July 2020 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the 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 group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' 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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ST DUNSTAN'S EDUCATIONAL FOUNDATION

control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity 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 provided on the Financial Reporting Council's website at <http://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 charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: **19 March 2021**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St Dunstan's Educational Foundation
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
as at 31 July 2020

		Unrestricted Funds		Restricted Funds	Endowment Funds	Total 2020	Total 2019
	Note	College plus College Hire Limited	Other				
		£k	£k	£k	£k	£k	£k
INCOME from							
Donations and Legacies	5	-	1	75	-	76	193
<i>Charitable activities</i>							
School fees receivable	2	13,473	(125)	(25)	-	13,323	13,271
Other educational income	3	781				781	352
Other ancillary income	3	39	46	-	-	85	72
<i>Other trading activities</i>							
Leisure club		172	-	-	-	172	262
Nursery		-	-	-	-	-	323
School facility lettings		361	-	-	-	361	604
<i>Investments</i>	4	6	385	14	-	405	551
TOTAL INCOME		<u>14,832</u>	<u>307</u>	<u>64</u>	<u>-</u>	<u>15,203</u>	<u>15,628</u>
EXPENDITURE on							
<i>Cost of raising funds</i>							
Financing costs	7	306	-	-	-	306	228
Leisure club, Nursery & Lettings	7	554	-	-	-	554	1,171
Investment management fees	7	-	27	-	-	27	37
<i>Charitable activities</i>							
School operating costs		<u>13,320</u>	<u>61</u>	<u>33</u>	<u>-</u>	<u>13,414</u>	<u>13,430</u>
TOTAL EXPENDITURE		<u>14,180</u>	<u>88</u>	<u>33</u>	<u>-</u>	<u>14,301</u>	<u>14,866</u>
NET INCOME BEFORE INVESTMENT GAINS/ (LOSSES)	8	652	219	31	-	902	762
(Losses)/ gains on investment assets							
Realised		-	-	-	-	-	(375)
Unrealised		-	(543)	(41)	(540)	(1,124)	40
(Losses)/ gains on hedging instrument for loan		<u>(1,416)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,416)</u>	<u>-</u>
NET INCOME/ (EXPENDITURE)		(764)	(324)	(10)	(540)	(1,638)	427
Transfers between funds	18b	2,494	(93)	-	(2,401)	-	-
Actuarial (loss) on defined benefit pension scheme	23	<u>(17)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17)</u>	<u>(144)</u>
NET MOVEMENT IN FUNDS		1,713	(417)	(10)	(2,941)	(1,655)	283
RECONCILIATION OF FUNDS							
Total funds brought forward at 1st August 2019		<u>3,988</u>	<u>4,106</u>	<u>1,084</u>	<u>13,737</u>	<u>22,915</u>	<u>22,632</u>
Total funds carried forward at 31st July 2020		<u>5,701</u>	<u>3,689</u>	<u>1,074</u>	<u>10,796</u>	<u>21,260</u>	<u>22,915</u>

St Dunstan's Educational Foundation

BALANCE SHEETS

as at 31 July 2020

	<i>Notes</i>	Consolidated		Foundation	
		2020	2019	2020	2019
		£k	£k	£k	£k
FIXED ASSETS					
Tangible fixed assets	10	23,506	15,248	23,506	15,248
Investments	11,12	8,409	9,457	8,409	9,457
		<u>31,915</u>	<u>24,705</u>	<u>31,915</u>	<u>24,705</u>
CURRENT ASSETS					
Stock		8	10	4	5
Debtors	14	979	851	1,012	929
Cash at bank and in hand	13	<u>3,550</u>	<u>4,063</u>	<u>3,514</u>	<u>3,815</u>
		4,537	4,924	4,530	4,749
CREDITORS:					
Amounts falling due within one year	15a	<u>(3,658)</u>	<u>(4,030)</u>	<u>(3,614)</u>	<u>(3,855)</u>
NET CURRENT ASSETS		<u>879</u>	<u>894</u>	<u>916</u>	<u>894</u>
TOTAL ASSETS PLUS/ LESS CURRENT ASSETS		32,794	25,599	32,831	25,599
CREDITORS					
Amounts falling due after one year	15b	<u>(10,646)</u>	<u>(1,745)</u>	<u>(10,646)</u>	<u>(1,745)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		22,148	23,854	22,185	23,854
Defined benefit pension scheme liability	23	<u>(888)</u>	<u>(939)</u>	<u>(888)</u>	<u>(939)</u>
TOTAL NET ASSETS		<u>21,260</u>	<u>22,915</u>	<u>21,297</u>	<u>22,915</u>
FUNDS					
Unrestricted		9,390	8,094	9,427	8,094
Restricted		1,074	1,084	1,074	1,084
Endowment		<u>10,796</u>	<u>13,737</u>	<u>10,796</u>	<u>13,737</u>
TOTAL FUNDS	18a	<u>21,260</u>	<u>22,915</u>	<u>21,297</u>	<u>22,915</u>

Approved by the Trustees on 19 March 2021 and signed on their behalf by:



Mr Paul Durgan
Chairman

Notes on pages 24 to 51 form part of these accounts.

St Dunstan's Educational Foundation
STATEMENT OF CASH FLOWS - CONSOLIDATED
for the year ended 31 July 2020

	Note	2020 £k	2019 £k
Cashflows from operating activities:			
<i>Net cash provided by operating activities</i>	a	2,426	1,886
Cashflows from investing activities:			
Dividends, interest and rents from investments		405	551
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(9,478)	(3,715)
Proceeds from sale of investments		29	3,190
Purchase of investments		(104)	(60)
<i>Net cash used in investing activities</i>		(9,148)	(34)
Cashflows from financing activities:			
Repayments of borrowing		6,209	172
<i>Net cash provided by/ (used in) financing activities</i>		6,209	172
Change in cash and cash equivalents in the reporting period		(513)	2,024
Cash and cash equivalents at the beginning of the reporting period		4,063	2,039
Cash and cash equivalents at the end of the reporting period	b	3,550	4,063

a Reconciliation of net income / expenditure to net cashflow from operating activities

<i>Net income for the reporting period (as per the statement of financial activities)</i>	(1,655)	283
Adjustments for:		
Depreciation charges	1,201	944
Fixed asset impairment	-	-
(Gains)/losses on investments - unrealised	1,124	375
(Gains)/losses on investments - realised	-	(40)
Dividends, interest and rents from investments	(405)	(551)
(Profit)/loss on the sale of fixed assets	19	83
(Increase)/decrease in stocks	2	-
(Increase)/decrease in debtors	(128)	(369)
Increase in creditors	903	1,075
Decrease/ (increase) in Loan Hedging Instrument	1,416	-
Increase/(decrease) in Defined Benefit Scheme liability	(51)	86
<i>Net cash provided by (used in) operating activities</i>	2,426	1,886

b Analysis of cash and cash equivalents

Cash in hand	3,550	4,063
<i>Total cash and cash equivalents</i>	3,550	4,063

St Dunstan's Educational Foundation
STATEMENT OF CASH FLOWS – FOUNDATION ONLY
for the year ended 31 July 2020

	Note	2020 £k	2019 £k
Cashflows from operating activities:			
<i>Net cash provided by operating activities</i>	a	2,638	1,725
Cashflows from investing activities:			
Dividends, interest and rents from investments		405	551
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(9,478)	(3,715)
Proceeds from sale of investments		29	3,190
Purchase of investments		(104)	(60)
<i>Net cash used in investing activities</i>		(9,148)	(34)
Cashflows from financing activities:			
Repayments of borrowing		6,209	172
<i>Net cash provided by/ (used in) financing activities</i>		6,209	172
Change in cash and cash equivalents in the reporting period		(301)	1,863
Change in cash and cash equivalents at the beginning of the reporting period		3,815	1,952
Change in cash and cash equivalents at the end of the reporting period	b	3,514	3,815
a Reconciliation of net income / expenditure to net cashflow from operating activities			
<i>Net income for the reporting period (as per the statement of financial activities)</i>		(1,618)	283
Adjustments for:			
Depreciation charges		1,201	944
Fixed asset impairment		-	-
(Gains)/losses on investments - unrealised		-	375
(Gains)/losses on investments - realised		1,124	(40)
Dividends, interest and rents from investments		(405)	(551)
(Profit)/loss on the sale of fixed assets		19	83
(Increase)/decrease in stocks		1	-
(Increase)/decrease in debtors		(83)	(433)
Increase in creditors		1,034	978
Increase/ (Decrease) in Loan Hedging Instrument		1,416	-
(Decrease)/Increase in defined benefit scheme liability		(51)	86
<i>Net cash provided by (used in) operating activities</i>		2,638	1,725
b Analysis of cash and cash equivalents			
Cash in hand		3,514	3,815
<i>Total cash and cash equivalents</i>		3,514	3,815

St Dunstan's Educational Foundation

ACCOUNTING POLICIES

for the year ended 31 July 2020

BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £k.

The financial statements have been prepared on the historical cost convention modified to include certain financial instruments at their fair value as explained in the relevant accounting policy. The principal accounting policies adopted are set out below.

GOING CONCERN

At the time of signing these financial statements the COVID-19 pandemic is still evolving and is unprecedented and therefore brings challenges and uncertainties, which the Trustees have considered in the 'Principal Risks and Uncertainties' section of their Report (see page 13).

Detailed financial modelling and scenario analysis has been performed demonstrating that the Foundation has sufficient cash and is able to meet the financial covenants within its new loan facility for at least 12 months following the signing of these financial statements. Scenarios considered included the loss of pupil numbers and reduction in the recoverability of fees. Key assumptions made in this scenario analysis included the ability to generate cash through the sale of the Foundation's unrestricted investments. Longer term projections are that going forward the Foundation expects to achieve greater surpluses which will be reinvested in improving facilities in the medium and long term. Demand for places at the College is currently strong, although there is risk that the take up may be lower than forecast depending on the impact that the pandemic may have on parents' ability to continue funding schooling.

Both the UK Government and the Foundation's bankers have indicated their support for businesses impacted by COVID-19. The Trustees are not currently forecasting the need to access such support other than furloughing some staff until April 2021, but note its availability should the need arise.

Having considered the uncertainties posed by the pandemic the Trustees consider for the above reasons that there are no material uncertainties about the Charity's ability to continue as a going concern and have accordingly continued to prepare the financial statements on a going concern.

GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the charity and its wholly owned subsidiary, College Hire Limited, on a line by line basis. The charity has taken advantage of the concession offered not to present a separate SOFA for the charity as a standalone entity.

INCOME RECOGNITION

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting scholarships, bursaries and other remissions allowed by the College, but include contributions received from the Foundation and other sources.

Grants receivable for specific purposes are accounted for as restricted funds. Transfers are made from those funds to offset depreciation.

Grants related to the Coronavirus Job Retention Scheme are treated as income in the period to which each grant claim relates and is treated as other educational income in the Statement of Financial Activities.

St Dunstan's Educational Foundation

ACCOUNTING POLICIES

for the year ended 31 July 2020

INTEREST RECEIVABLE

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

DONATIONS

Donations received for the general purposes of the College are credited to "other unrestricted funds" to distinguish them from direct College income. Donations subject to specific wishes of the donors are carried to relevant restricted funds or to endowed funds where the amount is required to be held as permanent capital.

The accounts of the Charity include the funds which are under the direct control of the Governors.

EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the expenditure of the Foundation in running a leisure club, a commercial nursery and a lettings business through its wholly owned trading subsidiary, College Hire Limited.
- Expenditure on charitable activities includes all expenditure in running a school and in particular teaching, premises and welfare costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Scholarships and bursaries are charged to expenditure in the period to which they relate.

ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly deliver charitable activities. Support costs include all administrative and governance costs which support the charity's activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

OPERATING LEASES

Rentals payable are charged on a straight line basis over the lease term.

TANGIBLE FIXED ASSETS

College buildings and equipment

Capitalisation and replacement

The original College land and buildings are carried at the amount of the value of property in June 1994 as valued by a professional adviser. In accordance with the transitional provisions of FRS102, this valuation has not been updated. Additions and improvements to the property since 1994 representing enhancements in value are stated at cost. The College is responsible for keeping these properties in a fit and useful condition and these costs are written off as incurred.

Items costing less than £5,000 are written off as an expense as acquired. The capitalisation threshold within College Hire Limited is £500.

Where additions and improvements are under construction on Permanently Endowed land these are included within Endowed Funds.

Interest costs directly attributable to the financing of tangible fixed assets are capitalised at the cost of the related borrowings.

St Dunstan's Educational Foundation

ACCOUNTING POLICIES

for the year ended 31 July 2020

Depreciation

Depreciation of other assets is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

	Years
Buildings	50
Improvements and extensions	10-50
Furniture and equipment	3-25
Motor vehicles	5

No depreciation is provided on freehold land.

Leasehold property is written off over the remaining period of the lease.

STOCK

Stock is included at the lower of cost or net realisable value.

DEBTORS

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

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account (classified as cash equivalents).

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity 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 trade discounts due.

BORROWINGS

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

General and specific borrowing costs directly attributable to the acquisition and construction of freehold properties that take a substantial period of time to get ready for their intended use or sale are added to the cost of those properties until such a time as the properties are ready for their intended use or sale.

DERIVATIVES

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

FINANCIAL INSTRUMENTS

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'other Financial Instruments Issues' of FRS 102 in full to all of its financial instruments.

Recognition and measurement of financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Classification of financial instruments

Financial instruments are classified as liabilities or assets according to the substance of the contractual arrangements entered into.

St Dunstan's Educational Foundation

ACCOUNTING POLICIES

for the year ended 31 July 2020

Fixed asset investments

Fixed asset investments are initially measured at transaction price. Transaction price includes transaction costs, except where investments are measured at fair value through the Statement of Financial Activities when transaction costs are expensed to the Statement of Financial Activities as incurred.

The fair value of investments quoted on a recognised stock exchange are measured at market value through the Statement of Financial Activities.

Investment properties are initially measured at cost and subsequently measured at fair value where a reliable measure of fair value is available without undue cost or effort. Changes in fair value are recognised in the Statement of Financial Activities.

Fee, trade and other debtors

Fee, trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment fee and trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in the Statement of Financial Activities for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised are recognised immediately in the Statement of Financial Activities.

Trade and other creditors

Trade and other creditors (including accruals) payable within one year that do not constitute a financial transaction are initially measured at the transaction price and subsequently measured at amortised costs, being transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at their transaction price including transaction costs and subsequently measured at amortised cost using the effective interest method.

Advance fee scheme

Advance fee discounts are charged to finance costs as required by FRS 102 and included within the gross fees reflected in the financial statements.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Fair value gains and losses are recognised in the Statements of Financial Activities.

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party or if some (but not substantially all) risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

A financial liability (or part thereof) is derecognised when the obligation specified when the obligation specified in the contract is discharged cancelled or expires.

PENSION CONTRIBUTIONS

Retirement benefits to eligible employees of the College are provided by The Teachers' Pension Scheme (TPS). This is a defined benefit scheme, which is externally funded. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the school in such a way that the pension cost is a substantially level percentage of present and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations, using a prospective benefit method.

St Dunstan's Educational Foundation

ACCOUNTING POLICIES

for the year ended 31 July 2020

Group personal pension scheme

Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the Scheme.

Independent Schools Pension Scheme

This is a defined benefit scheme managed by 'TPT' Retirement Solutions (formerly the Pensions Trust). Employer contributions are charged to the Statement of Financial Activities as they become payable. The contributions are determined by qualified actuaries on the basis of triennial valuations.

Independent Schools Pension Scheme -Auto-Enrolment

From 1 April 2014 the Foundation opened a fourth pension scheme for all employees who were not entitled to or who had not opted to join one of the three existing schemes. Contributions are charged to the Statement of Financial Activities as they become payable.

Unfunded pensions

The Charity makes unfunded pension payments to a small number of former employees under the terms of The St Dunstan's Educational Foundation Superannuation Scheme (1974), itself a consolidation of previous schemes. No liability is disclosed in these accounts in respect of this scheme and the annual cost of payments made is set against the income of the year (see note 9).

FIXED ASSET INVESTMENTS

Investments have been stated at their fair value at the beginning and end of the financial year. Realised and unrealised gains and losses are calculated by reference to the market valuation of the relevant investments at the start of the financial year.

RESERVES

The Charity has permanently endowed funds, restricted funds and unrestricted funds. These restricted funds are separately accounted for in accordance with the terms of the originating deeds and documentation. In March 2007 the trustees received confirmation from leading Counsel that all original land and buildings, given to the Foundation in 1888 and additions thereto, were permanently endowed.

TAXATION

St Dunstan's Educational Foundation is a registered charity and as such its income and gains falling within Sections 518 to 564 of the Income Taxes Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from income tax and capital gains tax to the extent that they are applied to its charitable objectives.

AGENCY ARRANGEMENT

The Charity has an arrangement with the Friends of St Dunstan's College (FSDC) to make payments and receipts on its behalf. FSDC is a formally constituted grouping of parents who arrange social and charitable events for the benefit of pupils of the College. The Charity includes funds held at the year-end within its financial statements as the sums involved are not material.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Charity's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects more than one period.

There are not considered to be any significant estimates or assumptions that might materially affect the financial statements.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

1 FINANCIAL PERFORMANCE OF THE CHARITY

The Consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiary, College Hire Limited (note 6).

The trading company gift aids all its surpluses to the Foundation as shown in note 6 and the gift aid is included with the Statement of Financial Activities (SOFA) for the Charity. The standalone SOFA for the Charity has therefore not been included.

2	FEES RECEIVABLE - COLLEGE	Total 2020 £k	Total 2019 £k
	Fees receivable consist of:		
	Gross fees	15,040	14,767
	Less: Total scholarships, bursaries and other remissions	(1,717)	(1,496)
		<u>13,323</u>	<u>13,271</u>
	Add: Contributions to fees made from the Foundation	150	150
		<u>13,473</u>	<u>13,421</u>

The figures in brackets in the Statement of Financial Activities within the Other Unrestricted Funds £125k (2019: £126k) and Restricted Funds £25k (2019: £24k) columns represent contributions made by the Charity internally towards scholarships and bursaries.

3	OTHER INCOME	Total 2020 £k	Total 2019 £k
	<i>Other educational income</i>		
	Entrance and registration fees	56	56
	Examination fees	76	63
	After school care	54	60
	Other income from pupils	242	173
	CJRS income	353	-
		<u>781</u>	<u>352</u>
	<i>Other ancillary income</i>		
	Tuck shop	19	43
	Pupil transport to school	20	18
	Sundry catering income	-	1
	Rental income (fixed asset)	46	10
		<u>85</u>	<u>72</u>

In 2020 and 2019 all other income is unrestricted income.

Included in other income is £353k from the Coronavirus Job Retention Scheme (CJRS). This is the only form of direct financial assistance that has been received from the UK Government (2019: nil) and there are no unfulfilled conditions relating to this income.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

4	INVESTMENT INCOME	Total 2020 £k	Total 2019 £k
	Interest receivable	10	8
	Rental income (investment property)	35	41
	Listed investments	360	502
		<u>405</u>	<u>551</u>

The income from interest receivable totals £10k (2019: £8k) of which £9k (2019: £7k) was unrestricted and £1k (2019: £1k) was restricted.

All rental income is unrestricted in both years and arises from the Foundation's investment in the Fordmill Road Depot adjacent to the Jubilee Ground.

All income from listed investments arises from stocks acquired through a UK Stock Exchange. Income totalling £347k (2019: £489k) is unrestricted with £13k (2019: £13k) included within restricted funds.

5	VOLUNTARY INCOME	Total 2020 £k	Total 2019 £k
	Donations	15	28
	Legacies	61	165
		<u>76</u>	<u>193</u>

The income from donations and legacies was £76k (2019: £193k) of which £1k (2019: £117k) was unrestricted and £75k (2019: £76k) was restricted. Income shown as legacies derives from a trust created by a former pupil in his will (and in 2019 a one off legacy of £100k). This income derives from a commercial property administered by a Board of Trustees.

6 INCOME FROM TRADING ACTIVITIES

The wholly owned trading subsidiary College Hire Limited is incorporated in England and Wales (company number 04396837) and distributes all of its profits to the charity under gift aid. College Hire Limited and hires out other facilities to the general public, charitable bodies and other hirers. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	Total 2020 £k	Total 2019 £k
Turnover	534	1,240
Cost of sales and administration costs	(571)	(1,195)
Net profit	<u>(37)</u>	<u>45</u>
Distribution to the charity	-	(45)
Retained in subsidiary	<u>(37)</u>	<u>-</u>

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

The assets and liabilities of the subsidiary were:

Fixed assets	-	-
Current assets	114	288
Current liabilities	(151)	(288)
Total net (liabilities)	(37)	-
Aggregate share capital and reserves	(37)	-

7 ANALYSIS OF EXPENDITURE

	Staff costs £k	Other Costs £k	Depreciation £k	Total 2020 £k	Total 2019 £k
EXPENDITURE on					
<i>Cost of raising funds</i>					
Leisure club and lettings	410	144	-	554	1,171
Financing costs	-	306	-	306	228
Investment management fees	-	27	-	27	37
<i>Charitable activities</i>	<u>410</u>	<u>477</u>	<u>-</u>	<u>887</u>	<u>1,436</u>
School operating costs					
Teaching costs	7,441	692	18	8,151	7,938
Welfare costs	-	637	24	661	949
Premises costs	595	960	1,159	2,714	2,672
Support costs	1,218	614	-	1,832	1,815
Donations and prizes	-	56	-	56	56
	<u>9,254</u>	<u>2,959</u>	<u>1,201</u>	<u>13,414</u>	<u>13,430</u>
	<u>9,664</u>	<u>3,436</u>	<u>1,201</u>	<u>14,301</u>	<u>14,866</u>

Expenditure on charitable activities was £13,414k (2019: £13,430k) of which £13,381k was unrestricted (2019: £13,403k) and £33k was restricted (2019: £27k).

Analysis of governance and support costs

Support costs have been analysed below and are included within school operating costs, as the charitable activity of the College.

Governance costs include audit fees, trustee indemnity insurance, trustee expenses, legal and professional fees for constitutional matters and meeting costs. These are apportioned between the charitable activities undertaking and the cost of raising funds through letting on the basis of 90% being allocated to charitable activities and 10% to the raising of funds through trading.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

	Support costs £/k	2020 Governance costs £/k	Total £/k	Support costs £/k	2019 Governance costs £/k	Total £/k
Staff and training costs	1,232	-	1,232	982	-	982
Marketing	163	-	163	175	-	175
Staff recruitment	45	-	45	62	-	62
Legal and professional fees	61	-	61	177	-	177
Pupil transport	59	-	59	93	-	93
Office costs	264	-	264	315	-	315
Administrative overheads	8	-	8	11	-	11
Governance						
Staff costs	-	55	55	-	52	52
Audit and other professional fees	-	57	57	-	38	38
Meeting and other governance costs	-	1	1	-	11	11
	<u>1,832</u>	<u>113</u>	<u>1,945</u>	<u>1,815</u>	<u>101</u>	<u>1,916</u>

8	NET INCOME FOR THE YEAR	2020 £/k	2019 £/k
	This is stated after charging:		
	Operating leases – equipment	87	43
	Depreciation	1,201	944
	Governors' liability insurance	1	1
	Auditor's remuneration (including VAT)		
	- Audit fees	50	35
	- Other services – VAT advisory and Teachers Pensions Audit	7	3

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

9 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2020 £k	2019 £k
Wages and salaries	7,722	7,813
Social security costs	785	782
Other pension costs	1,157	843
	<u>9,664</u>	<u>9,438</u>

The average monthly head count was 228 staff (2019: 235 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year was as follows:

	2020 Number	2019 Number
Teaching	95	95
Teaching Support	38	34
Administrative Support	50	50
Lettings	16	17
Nursery	-	16
	<u>199</u>	<u>212</u>

The key management personnel of the College are the College Leadership Team (CLT). The CLT includes the Headmaster, Bursar and Clerk to the Governors, the Deputy Head Pastoral, the Deputy Head Academic and Head of the Junior School. Their total remuneration including pensions, private medical cover and employer national insurance contributions amounted to £658k in this financial year (2019: £623k).

Redundancy and termination payments of £74k were made during this financial year (2019: £2k).

Neither the Governors nor persons connected with them received any remuneration or other benefits from the College or any connected organisation.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

9 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL (CONT'D)

The number of employees whose annual equivalent emoluments exceeded £60,000 during the period were:

	2020 Number	2019 Number
£60,001 to £70,000	7	4
£70,001 to £80,000	3	-
£80,001 to £90,000	1	3
£100,001 to £110,000	-	1
£120,001 to £130,000	1	-
£130,001 to £140,000	-	1
£160,001 to £170,000	1	-

Contributions were made to the Teachers' Pension Scheme, of £151k (2019: £83k) in respect of 10 (2019: 6) of the employees reflected above (see note 22). Two (2019:3) higher-paid employees are members of the Independent Schools Pension Scheme- defined contribution scheme (see note 22). Contributions to this scheme during the year amounted to £14k (2019: £19k) for these other higher-paid employees. One (2019: -) higher-paid employee is a member of the Independent Schools Pension Scheme – defined benefit scheme (see note 23). Contributions to this scheme during the year amounted to £9k (2019: -)

The expenses of the Governors were as follows:

	2020 £k	2019 £k
Expenses to attend meetings (including annual conference)		
Governors –number: 14 (2019: 14)	-	11
Catering provided at meetings	1	1
School operating costs include:		
	2020 £k	2019 £k
Unfunded pension payments	-	2

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

10 TANGIBLE FIXED ASSETS

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
CONSOLIDATED					
Cost or valuation					
1 August 2019	17,236	173	3,157	2,609	23,175
Additions	169	-	120	9,189	9,478
Disposals	(28)	-	(96)	-	(124)
Transfers	<u>1,029</u>	<u>-</u>	<u>5</u>	<u>(1,034)</u>	<u>-</u>
	18,406	173	3,186	10,764	35,529
31 July 2020					
Depreciation					
1 August 2019	5,669	143	2,115	-	7,927
Charge for the period	928	18	255	-	1,201
Released on disposal	<u>(9)</u>	<u>-</u>	<u>(96)</u>	<u>-</u>	<u>(105)</u>
	6,588	161	2,274	-	9,023
31 July 2020	<u>6,588</u>	<u>161</u>	<u>2,274</u>	<u>-</u>	<u>9,023</u>
Net book values					
31 July 2020	<u>11,818</u>	<u>12</u>	<u>912</u>	<u>10,764</u>	<u>23,506</u>
31 July 2019	<u>11,567</u>	<u>30</u>	<u>1,042</u>	<u>2,609</u>	<u>15,248</u>

Freehold land and buildings at valuation (£k)

Main College building	1,700
(Valued by Savills, Chartered Surveyors 27 April 1994)	
Groundsman's House	<u>80</u>
(Valued by Peter Leigh, Chartered Surveyors 16 December 1996)	
	<u>1,780</u>

The freehold land and buildings were valued at open market value on an existing use basis. The historical cost information in relation to these buildings is not available. The Trustees have considered the holding value of the fixed assets stated above on implementing FRS 102 and consider the values stated above remain appropriate taking in to account the educational activities of the Charity.

Included in Land and Buildings is freehold land valued at £1,502k (2019: £1,502k) which is not depreciated.

St Dunstan's Educational Foundation has pledged land and buildings having a net book value of £10,700k to secure a bank loan with HSBC by way of a fixed charge.

All the interest arising on the bank loan and the hedging instrument for the bank loan was capitalised during the year – total: £51k.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

10 TANGIBLE FIXED ASSETS (CONTINUED)

	Land and Buildings	Motor Vehicles	Furniture & Equipment	Assets Under Construction	Total
	£k	£k	£k	£k	£k
FOUNDATION					
Cost or valuation					
1 August 2019	17,236	173	3,133	2,609	23,151
Additions	169	-	120	9,189	9,478
Disposals	(28)	-	(96)	-	(124)
Transfers	1,029	-	5	(1,034)	-
	18,406	173	3,162	10,764	32,505
31 July 2020					
Depreciation					
1 August 2019	5,669	143	2,091	-	7,903
Charge for the period	928	18	255	-	1,201
Released on disposal	(9)	-	(96)	-	(105)
	6,588	161	2,250	-	8,999
31 July 2020					
Net book values					
31 July 2020	11,818	12	912	10,764	23,506
31 July 2019	11,567	30	1,042	2,609	15,248
Cost or valuation					
Cost	16,626	173	3,162	10,764	30,725
Valuation	1,780	-	-	-	1,780
	18,406	173	3,162	10,764	32,505

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

11 INVESTMENTS

	Consolidated and Foundation			
	Unrestricted	Restricted	Endowment	Total
	£k	£k	£k	£k
Balance at 1 August 2019	4,901	322	4,234	9,457
Additions	8	1	95	104
Disposals at opening market value	(15)	(2)	(12)	(29)
Revaluations	<u>(543)</u>	<u>(41)</u>	<u>(539)</u>	<u>(1,123)</u>
Balance at 31 July 2020	<u>4,351</u>	<u>280</u>	<u>3,778</u>	<u>8,409</u>
Listed on the Stock Exchange	3,688	280	3,770	7,738
Property (see note 12)	660	-	-	660
Funds held by Brokers for investment	<u>3</u>	<u>-</u>	<u>8</u>	<u>11</u>
	<u>4,351</u>	<u>280</u>	<u>3,778</u>	<u>8,409</u>

The investments are registered in the name of UBS AG and managed by UBS Wealth Management on behalf of the Charity.

Historical cost of investments listed on the stock exchange is £8,053k (2019: £7,988k). The historical cost of the property is not readily available.

There were no investments representing over five percent of the portfolio value.

Within the Foundation accounts is an investment of £1 in a subsidiary, College Hire Ltd. During the year this company ran the Leisure Club, and hired out other facilities to the general public, charitable bodies, the London Borough of Lewisham and other hirers. From 1 August 2019 the provision of the commercial nursery, which had been run by College Hire Ltd was outsourced to a third party. The Foundation owns 100% of the issued share capital of this company which is incorporated in the United Kingdom.

12 INVESTMENT PROPERTY

At 31st July 2020 the Foundation had one investment property known as Fordmill Road Depot which was uplifted in value from the purchase price of £503,969 to £660,000 in December 2015. The valuation of this industrial property was undertaken by Lambert Smith Hampton RICS Registered Valuers in October 2016. The valuation was carried out by considering the capitalisation of the rental values and having regard to the residual values.

13 CASH AT BANK AND IN HAND

As at 31 July 2020 £1m of the Foundation's cash balances are held as collateral to secure a bank loan with HSBC.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

14	DEBTORS	Consolidated		Foundation	
		2020 £k	2019 £k	2020 £k	2019 £k
	Fee debtors	448	380	448	380
	Trade debtors	81	135	61	111
	Sundry debtors	-	40	-	40
	Prepayments and accrued income	450	296	397	285
	Amounts owed by group undertakings	<u>-</u>	<u>-</u>	<u>106</u>	<u>113</u>
		<u>979</u>	<u>851</u>	<u>1,012</u>	<u>929</u>
15 a	CREDITORS: DUE WITHIN ONE YEAR	Consolidated		Foundation	
		2020 £k	2019 £k	2020 £k	2019 £k
	Fees received in advance and deposits	1,052	956	1,052	956
	Trade creditors	87	329	80	276
	Taxation and social security	196	210	187	190
	Pensions	142	119	143	119
	Accruals and deferred income	768	1,127	745	1,033
	Other creditors	<u>593</u>	<u>494</u>	<u>587</u>	<u>486</u>
		2,838	3,235	2,794	3,060
	Advance fees (see note 16)	<u>820</u>	<u>795</u>	<u>820</u>	<u>795</u>
		<u>3,658</u>	<u>4,030</u>	<u>3,614</u>	<u>3,855</u>
15 b	CREDITORS: AFTER MORE THAN ONE YEAR	Consolidated and Foundation			
			2020 £k	2019 £k	
	Bank loan		6,255	-	
	Hedging instrument for loan		1,416	-	
	Advance fees (see note 16)		1,271	1,591	
	Accruals		1,582	-	
	Sundry creditors		<u>122</u>	<u>154</u>	
			<u>10,646</u>	<u>1,745</u>	

Bank loan

St Dunstan's Educational Foundation entered into a ten-year loan facility with HSBC in November 2019. This facility has a contractual variable rate linked to GBP 3 month LIBOR plus a margin of 2.25%.

St Dunstan's Educational Foundation is required to make quarterly repayments of the bank borrowings from the quarter ending 31 January 2022.

Bank borrowings are secured against the land and buildings of the Foundation (see note 10) and against collateral of £1m cash held in bank account (see note 13)

The bank loan facility agreement places some restrictions on the Foundation. In particular, the Foundation is required to maintain prescribed interest loan cover and debt service cover ratios for the duration of the loan.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

Hedging instrument for loan

St Dunstan's Educational Foundation is using an interest rate swap to manage its exposure to interest rate movements on its bank loan facility with HSBC. The Foundation entered into a variable to fixed interest rate swap with HSBC in December 2019. This contract swaps the variable rate of interest for the HSBC loan facility of GBP 3 month LIBOR for a fixed rate of 1.072% per annum for the period up to December 2029.

The interest rate swap was valued externally by the counterparty bank by calculating the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted LIBOR rates.

Sundry Creditors

In April 2019 the Foundation entered into a 5 year agreement with Holroyd Howe to provide catering to the College.

Existing assets, comprising a walk in freezer, kitchen refurbishment and dishwasher with net total book value of £50k were transferred from the previous caterer. These continue to be treated as fixed assets and are being depreciated over 2 years.

During the prior year Holroyd Howe also invested in an upgrade of the servery facility costing £153k and a mixer and washing machined costing a total of £16k. These are being treated as fixed assets and are being depreciated over 10 years and 5 years respectively.

The above sums are being written back over the life on the contract with Holroyd Howe. Of the sum invested £122k is reflected in sundry creditors over one year and £32k in creditors under one year with £46k being released to the Statement of Financial Activities in the year.

A summary of the position regarding the release of these sums to the Statement of Financial Activities is shown below:

	Consolidated and Foundation	
	2020	2019
	£	£
Over 5 years	51	67
Within 2 to 5 years	52	55
Within 1 to 2 years	<u>19</u>	<u>32</u>
	122	154
Within 1 year	<u>32</u>	<u>46</u>
	<u>154</u>	<u>200</u>

16 ADVANCE FEE PAYMENTS

College tuition fees may be paid in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the College, advance fees will be applied as follows:

	Consolidated and Foundation	
	2020	2019
	£k	£k
Within 2 to 9 years	693	969
Within 1 to 2 years	<u>578</u>	<u>622</u>
	1,271	1,591
Within 1 year	<u>820</u>	<u>795</u>
	<u>2,091</u>	<u>2,386</u>

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

The balance represents the accrued liability under the contracts. The capital movements during the period were:

	2020 £k	2019 £k
Balance at 1 August 2019/ 2018	2,386	1,565
New contracts (less repaid)	<u>670</u>	<u>1,617</u>
	3,056	3,182
Amounts utilised in payment of fees to the college	<u>(965)</u>	<u>(796)</u>
Balance at 31 July 2020/ 2019	<u>2,091</u>	<u>2,386</u>

17 ALLOCATION OF THE CHARITY'S NET ASSETS

2020

CONSOLIDATED

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	17,527	3,778	31	-	(10,540)	10,796
Restricted Funds	-	280	794	-	-	1,074
Unrestricted funds – College plus College Hire Ltd	5,979	-	716	(11,534)	10,540	5,701
Unrestricted Funds - Other	—	<u>4,351</u>	<u>(662)</u>	—	—	<u>3,689</u>
	23,506	8,409	879	(11,534)	-	21,260

FOUNDATION

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	17,527	3,778	31	-	(10,540)	10,796
Restricted Funds	-	280	794	-	-	1,074
Unrestricted funds – College plus College Hire Ltd	5,979	-	753	(11,534)	10,540	5,738
Unrestricted Funds - Other	—	<u>4,351</u>	<u>(662)</u>	—	—	<u>3,689</u>
	23,506	8,409	916	(11,534)	-	21,297

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

2019

CONSOLIDATED and FOUNDATION

	Fixed Assets £k	Investments £k	Net Current Assets/ (Liabilities) £k	Long Term Liabilities (including pensions) £k	Recoupment Order £k	Total £k
Endowment Funds	8,979	4,234	524	-	-	13,737
Restricted Funds	-	322	762	-	-	1,084
Unrestricted funds – College plus College Hire Ltd	6,269	-	403	(2,684)	-	3,988
Unrestricted Funds - Other	—	4,901	(795)	—	-	4,106
	15,248	9,457	894	(2,684)	-	22,915

18a FUNDS

	Balance at 1 August 2019 £k	Income £k	Expenditure £k	Realised/ unrealised gains/ (losses) £k	Transfers £k	Balance at 31 July 2020 £k
Unrestricted:						
College plus College Hire Limited	3,988	14,832	(14,180)	(1,433)	2,494	5,701
Other	4,106	307	(88)	(543)	(93)	3,689
	<u>8,094</u>	<u>15,139</u>	<u>(14,268)</u>	<u>(1,976)</u>	<u>2,401</u>	<u>9,390</u>
Restricted funds:						
Development Fund	91	-	-	-	-	91
Bursary Fund	275	7	(6)	(28)	-	248
Prize and Other Funds	718	57	(27)	(13)	-	735
	<u>1,084</u>	<u>64</u>	<u>(33)</u>	<u>(41)</u>	<u>-</u>	<u>1,074</u>
Foundation Endowed funds:						
Foundation capital	13,571	-	-	(540)	(2,401)	10,630
Legacies	12	-	-	-	-	12
Prize and Other Funds	154	-	-	-	-	154
	<u>13,737</u>	<u>-</u>	<u>-</u>	<u>(540)</u>	<u>(2,401)</u>	<u>10,796</u>
TOTAL	<u>22,915</u>	<u>15,203</u>	<u>(14,301)</u>	<u>(2,557)</u>	<u>-</u>	<u>21,260</u>

A brief description of the funds is set out below:

Unrestricted funds

The “College plus College Hire” unrestricted reserves represent the accumulated surpluses generated by the College and its wholly owned trading company College Hire Limited during their period of operation.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

The “Other” unrestricted reserves have arisen principally from the investment activities of the Foundation. These represent both surpluses on invested funds and accumulated investment gains arising from the sale and revaluation of invested assets over time.

Restricted funds

The Foundation has a significant number of restricted funds which have arisen since St Dunstan’s College opened in 1888. The largest of these funds are as follows:

Development Fund- This represents the balance of an appeal undertaken in the 1990’s which principally funded the building of the current Sports Hall on the Stanstead Road site.

Development Appeal Bursary Fund- This fund arises from an appeal in the 1980’s and 1990’s to raise funds to fund awards made to boys and girls attending the school. The income of this fund is utilised to fund such awards and the capital is invested to generate income.

Prizes and Other funds- These are funds which have been given to the Foundation over many years for specific purposes and are utilised in accordance with the donor’s wishes. The largest of these funds is the Heaton Caffin Fund which represents a legacy given by a former pupil of the school which gives the income arising from a local commercial property through a Will Trust to the Foundation on an annual basis. The annual income is circa £60k and is to be utilised to further British Exports (70%) and team games (30%) or in a manner determined by the Trustees. The balance held at 31st July 2020 on this fund was £384k (2019: £354k).

Most other funds in this category are specific prize funds, bursary or scholarship funds of a specific nature.

Foundation Endowment Funds

Foundation Capital- This represents the permanently endowed funds of the Foundation. These funds originate from the original endowment which was effectively given to the Foundation in 1867 and subsequently, under various Schemes of Arrangement made by the Charity Commission. These monies originate from the Parish of St Dunstan’s in the East in the City of London. They are represented by an endowed investment portfolio and property. The Trustees utilise these funds to make improvements to the endowed property in accordance with the originating Schemes of Arrangement.

Legacies: These represent the balance of various legacies which have been given to the Foundation.

Prize and Other Funds: These are other funds given to the Foundation generally via way of legacy or bequest.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

18 b TRANSFERS

Transfers between the various funds were as follows:

	Unrestricted funds 31 July 2020		Endowment funds 31 July 2020	
	College £k	Other £k	College £k	Total £k
Additions to Endowed Property	(8,511)		8,511	
Depreciation	446	34	(480)	-
Adjustments to Endowed Property				
Write off of	19	-	(19)	-
Endowed Property				
Additions to Endowed Investments	-	(127)	127	
Recoupment Order	<u>10,540</u>	<u>=</u>	<u>(10,540)</u>	<u>=</u>
	2,494	(93)	(2,401)	-

The transfers above represent:

- The value of additions to tangible fixed assets which are situated on endowed land
- The depreciation of endowed tangible fixed assets, the expense for which is transferred from unrestricted funds to endowed funds
- The value of tangible fixed assets on endowed land that were written off during the year
- The purchase of endowed investments from unrestricted funds
- The value of the recoupment order (see note 27)

19 CONTRACTS AND COMMITMENTS

At 31 July 2020 the charity had capital commitments totalling approximately £12,358k (2019: £504k).

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

20 OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases for equipment and the Junior School temporary building are as follows:

As lessee	2020	2019
	£k	£k
Amounts due:		
Within one year	82	91
Between two and five years	<u>133</u>	<u>22</u>
	<u>215</u>	<u>113</u>
 As lessor		
Amounts due:		
Within one year	42	41
Between two and five years	<u>169</u>	<u>=</u>
	<u>211</u>	<u>41</u>

The rental received as lessor relates to a property known as Fordmill Road Depot. It was let from 1st August 2020 on a five year lease.

for the year ended 31 July 2020

The carrying amounts of the Charity's financial instruments at 31st July were as follows

	Consolidated		Foundation	
Financial Liabilities:	2020	2019	2020	2019
	£'k	£'k	£'k	£'k
Financial liabilities measured at amortised cost				
Fees received in advance and deposits	1,052	956	1,052	956
Trade creditors	87	329	80	276
Accruals	2,336	1,077	2,327	1,033
Other creditors	857	648	852	640
Other Financial liabilities				
Bank Loan	6,255	-	6,255	-
Hedging Instrument for Loan	1,416	-	1,416	-
Advance fees	2,091	2,386	2,091	2,386
Total	14,094	5,396	14,073	5,291

As explained in the accounting policies, the College operates four different pension scheme arrangements.

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,011k (2019: £714k) and at the year-end £195k (2019: £96k) 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

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

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. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

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 the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are 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.

Group Personal Pension Scheme

Under the terms of the new St Dunstan's Educational Foundation Group Personal Pension Scheme ("the Scheme"), which is open to all of the College's non-teaching employees, the College matches employees' contributions (at a rate of 3%, 5%, 6% or 7%) to his or her own individual policy with the Scheme provider, Phoenix AMP (formerly AMP/NPI). The Scheme was revised in the year 2000 to comply with Government legislation. Due to poor investment returns on this type of policy, the Governors decided that the Foundation would allow non-teaching staff to join the Independent Schools Pension Scheme (ISPS), with effect from 1 February 2004. Most former members of the scheme have transferred to ISPS.

Employer contributions payable to the Scheme in the year amounted to £1k (2019: £1k).

Independent Schools, Pension Scheme ("ISPS")

The Charity participates in the ISPS Pension Scheme.

The ISPS Pension Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the state scheme. A number of benefit structures are available. The Foundation has opted for final salary with a 1/80th accrual rate.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

During the accounting period ended 31 July 2020 there has been a joint contribution rate of 23.1% comprising employer contributions of 14.1%% and member contributions of 9%.

As at the balance sheet date there were fifteen active members of the Scheme employed by the Foundation.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from the total scheme assets.

The last full actuarial valuation of the Scheme was performed as at 30 September 2017 by a professionally qualified actuary using the "projected unit method". The market value of the scheme's assets at the valuation date was £149.4m. The valuation revealed a shortfall of assets compared with the value of liabilities of £38.2m, equivalent to a past service funding level of 80%.

The financial assumptions underlying the valuation as at 30 September 2017 were as follows:

	% pa
Discount rate pre-retirement	4.21
Discount rate post-retirement	2.26%
Pensionable earnings growth	CPI –
	2.45%
Rate of price inflation	RPI –
	3.35%
	CPI –
	2.45%

The valuation was carried out using the SAPS (Self-Administered Pension Scheme) Series 2 all pensioners by amounts tables with a scaling factor of 57% pre-retirement and 86% post retirement. The latest release of the Continuous Mortality Investigation Bureau projections, known as 'CMI_2013' were used for mortality projections with long term improvement rates of 1.5% per annum for males and 1.25% per annum for females being used. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	26.1	27.4
Pensioners	23.8	25.5

The long-term joint contribution rate (i.e. employer and employee contributions) was assessed at 21% prior to 1 September 2017, then 27.3% for the 1/80th scheme.

Following consideration of the results of the Scheme's 2017 actuarial valuation it was agreed that the shortfall of £38.2 million would be dealt with by the payment of deficit contributions of £2.4 million per annum from 1 September 2019. These deficit contributors are in addition to the long-term joint contribution rates.

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

Under FRS 102 the Charity has been required to bring the past deficit contributions in to its balance sheet as a liability and charge past deficit contributions in the year against that liability. The movements on this provision are fully explained in note 23.

If the valuation assumptions are borne out in practice the pattern of contributions should be sufficient to eliminate the part service deficit, on an ongoing funding basis, by 30th April 2030.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or the Scheme winding up. The Scheme Actuary has estimated the employer debt that would have been payable if the employer had withdrawn from the Scheme at 30 September 2014 would have been £4m. The Foundation does not see a situation where it would withdraw its employees from participating in one of the pension options on offer from TPT Retirement Solutions and therefore it is highly unlikely that a debt on withdrawal liability would arise.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Scheme. If the liabilities exceed assets there is a buy-out debt. The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Employer contributions during the year excluding past deficit contributions amounted to £60k (2019: £51k).

Former members of the 1/60th Defined Benefit Scheme were offered the opportunity to transfer in to a 1/80th Defined Benefit with contribution rates of 9% for the employee and 14.1 % for the employer with TPT following the 2014 actuarial valuation. Employer contributions for the year ended 31st July 2021 are estimated at £53k (2020: £63k).

The Scheme offers a Growth Plan as an additional voluntary contribution vehicle for members. The Charity does not participate in the Plan, no members make additional voluntary contributions. The Charity has been informed by the ISPS that it has no employer debt in relation to the Growth Plan.

ISPS -Defined Contribution Scheme (Auto Enrolment)

With effect from 1st April 2014 the Foundation was required to enrol members of its staff not currently in a pension scheme, in to a defined contribution scheme. The Foundation has used the Scheme provided by ISPS to meet its obligations under the auto-enrolment regulations. Employers and Employee rates are currently set at 1%, with certain employees entitled to increase their employee contributions, with matching contributions from the Foundation of 10%. During 2014 employees of College Hire Limited also became entitled to join the Scheme. At the balance sheet date there were 84 (2019: 70) members active in this Scheme. During the year ended 31st July 2020 the Foundation has contributed £86k to this Scheme (2019: £58k).

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

23 DEFINED BENEFIT PENSION SCHEME LIABILITY

The Foundation as explained in note 22 is required under FRS 102 to account for its share of the funding deficits on the ISPS Scheme valuations as identified by the 2014 and 2017 valuations of this multi-employer Final Salary Scheme.

The movements on this provision have been as follows:

	Consolidated and Foundation	
	2020	2019
	£k	£k
Liability at 1st August 2019/ 2018	939	853
Interest expense	12	16
Deficit contributions paid	(80)	(74)
Impact of change in assumptions	17	38
Amendment to contribution schedule	-	106
Liability at 31st July 2020/ 2019	<u>888</u>	<u>939</u>

The above deficit contributions and provision have been calculated and provided to the Foundation by TPT Retirement Solutions (formerly The Pensions Trust).

The provision and deficit contributions take in to account relevant discount rates and bond yields. The recovery plan for the Scheme is aimed at eliminating the funding shortfall by 31st August 2030.

Deficit contributions from 1st September 2018 were £6,186 per month until 1 September 2019 when these rose to £6,744 per month. The deficit contributions will rise by 3% each year from 1 September 2020.

24 RELATED PARTY TRANSACTIONS

The Foundation's transactions with its wholly owned subsidiary College Hire Limited and balances owing were as follows.

Summary of account	2020	2019
	£k	£k
Balance owing at 1 st August 2019/ 2018	113	54
Recharges from Foundation to company		
Salaries and direct costs	14	14
Expenses	24	52
Provision of services by company to Foundation	-	(52)
Money transfers including gift aid	(45)	-
Gift Aid payable	=	<u>45</u>
Balance owing at 31 st July 2020/ 2019	<u>106</u>	<u>113</u>

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

25 AGENCY ARRANGEMENT

The College has an agency arrangement with the Friends of St Dunstan's (FSDC) to hold monies on their behalf. FSDC is a Committee of parents who organise social events for the benefit of pupils and parents of the school. At 31 July 2020 the College held £34k (2019: £37k). The cash is held in the College bank account. This is a long standing arrangement which helps FSDC to undertake their activities which are all ultimately undertaken for the benefit of pupils of the school.

26 CONTINGENT LIABILITY

In December 2019 HMRC determined that College Hire Ltd was not an 'eligible body' for an exemption under VAT Act 1994. If College Hire Ltd were not an 'eligible body' the estimated amount of VAT owed to HMRC at the balance sheet date is approximately £260k. The Directors of College Hire Ltd, following expert advice from RSM UK Tax and Accounting Limited, disagree with HMRC's conclusion and, as this obligation is not considered probable in their opinion this amount has not been recognised as a liability in these financial statements. The Directors of College Hire Ltd have therefore appealed HMRC's decision.

27 CHARITY COMMISSION RECOUPMENT ORDER

The following recoupment order is reflected in the financial statements at 31 July 2020:

Date of Order	Capital Sum	Amount Outstanding	Method of Recoupment	Last Payment Year
	£k	£k		
4 Aug 2020	10,540	10,540	£472k per annum for a period of 50 years	2070

The Commission has authorised the Trustees to spend the sum of not more than £23.6m from the charity's permanent endowment for the purpose of constructing the new JS/ STEM building. At 31 July 2020 the capital sum of the recoupment order is £10,540k.

28 ANALYSIS OF CHANGES IN NET DEBT

Consolidated

	At 1 Aug 2019	Cash flows	At 31 Jul 2020
	£k	£k	£k
Cash and cash equivalents			
Cash	<u>4,063</u>	<u>(513)</u>	<u>3,550</u>
	4,063	(513)	3,550
Borrowings			
Debt due within one year	(46)	14	(32)
Debt due after one year	<u>(154)</u>	<u>(6,223)</u>	<u>(6,377)</u>
	(200)	(6,209)	(6,409)
TOTAL	3,863	(6,722)	(2,859)

St Dunstan's Educational Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 July 2020

28 ANALYSIS OF CHANGES IN NET DEBT (C)

Foundation

	At 1 Aug 2019 £k	Cash flows £k	At 31 Jul 2020 £k
Cash and cash equivalents			
Cash	<u>3,815</u>	<u>(301)</u>	<u>3,514</u>
	3,815	(301)	3,514
Borrowings			
Debt due within one year	(46)	14	(32)
Debt due after one year	<u>(154)</u>	<u>(6,223)</u>	<u>(6,377)</u>
	(200)	(6,209)	(6,409)
TOTAL	3,615	(6,510)	(2,895)