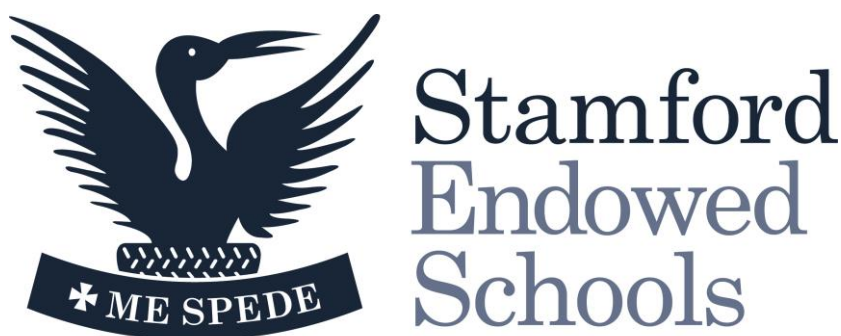


STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 AUGUST 2020



independent schools for independent minds

Charity No. 527618

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2020

Contents	Page
Trustees, Officers and Advisers	1
Annual Report of the Governors	2
Independent Auditor's Report	13
Consolidated Statement of Financial Activities	15
Consolidated and Charity Balance Sheets	17
Consolidated Cash Flow Statement	20
Notes to the Financial Statements	22

STAMFORD ENDOWED SCHOOLS

ANNUAL REPORT OF THE GOVERNORS

YEAR ENDED 31 AUGUST 2020

GOVERNORS, KEY MANAGEMENT & ADVISORS

Governing Body

The Trustee of the Charity throughout the year has been Stamford Endowed Schools Trustee Ltd. The Directors of Stamford Endowed Schools Trustee Ltd are referred to as "Governors" or members of the Governing Body. The Directors who held office during the year were:

N Rudd-Jones	<i>Chair</i>
C Armitage	
A Barker FRICS	
S Brown FCA	
W Burgess FCA, FIHort	<i>Vice Chair</i>
N Carter FCIPD	
W Chadwick	
V Clark	<i>Safeguarding Governor</i>
M Cockerill *	<i>Resigned 2 December 2019</i>
P Cook	<i>Resigned 7 July 2020</i>
P Fraser	
Dr C Hammant	
T Hindmarch * #	
I Moss ACA *	<i>Resigned 27 March 2020</i>
The Revd Canon M Oakley	
J Peach ACSI, ACIB	
C Rickart	
M Rock	
S Vickers MRICS	

* Director of Stamford Endowed Schools Enterprises Ltd

Trustee of Stamford Endowed Schools Foundation

Key Management

Will Phelan BA(Hons), MBA	Principal
Vicky Buckman BSc(Hons)	Head of Stamford High School
Nick Gallop BA(Hons), MSc	Head of Stamford School
Emma Smith BEd	Head of Stamford Junior School
Dean White BA(Hons), MA, PhD, FCA	Bursar & Clerk to Governors

Advisors

<u>Auditor</u>	<u>Bankers</u>	<u>Solicitor</u>	<u>Insurance Broker</u>
Haysmacintyre LLP	Barclays Bank	VWV LLP	Hettle Andrews
10 Queen St Place	46-49	Narrow Quay House	11 Brindleyplace
London	Broad Street	Narrow Quay	2 Brunswick Square
	Stamford	Bristol	Birmingham

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Governing Body presents its Annual Report for the year ended 31 August 2020. The Governing Body confirms that the financial statements comply with the Charity's governing document, with current statutory requirements, with applicable accounting standards in the United Kingdom, with the Charities Statement of Recommended Practice (the 'Charities SORP') and the Charities Act 2011, including having given due consideration to the requirements of Public Benefit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Stamford Endowed Schools ('The School') are governed by the Charitable Scheme, documented in a Deed sealed by order of the Charity Commissioners for England and Wales on 23 December 1980 and last amended in 2010.

Governing Body

Stamford Endowed Schools Trustee Ltd is the sole trustee of the School. The Directors of Stamford Endowed Schools Trustee Ltd, as set out on page 1, are referred to as the Governors.

Appointment and Training of Governors

New Governors are elected on the basis of nominations from existing Governors or senior management, based on the candidate's professional expertise, personal competence and affinity with the School's aims and objectives.

Two members of the Governing Body have been nominated by third party organisations; one by The Marquess of Exeter (this is currently Miranda Rock) and the second by the Fellows of St John's College, Cambridge (during the year this was The Reverend Canon Mark Oakley). Lincolnshire County Council has the right to nominate a Governor, but has not exercised this right for a number of years.

Governors are initially appointed for a five-year term. In line with the Charity Governance Code where a Governor has served for more than nine years, their reappointment is subject to rigorous review and takes account of the need for progressive refreshing of the Governing Body. The Governing Body has a number of members who have served for more than nine years. Having considered their appointment, the Governing Body believes these long serving Governors provide a level of institutional memory and a skill set that would be hard to replace without negatively impacting on the performance of the board.

New Governors are inducted into the workings of the School, and its policies and procedures, through visits to the schools, meetings with key management personnel, and the provision of handbooks and similar literature. New Governors receive safe-guarding training and are also encouraged to attend training provided by AGBIS.

Details of training opportunities are circulated to existing Governors who are encouraged to benefit from training provided by AGBIS, as well as charity specific training provided by local law firms and accountants. Existing Governors are also encouraged to regularly visit the schools to meet staff, pupils and parents. A register of training is maintained and reviewed annually.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Charity Governance Code

The Governing Body has reviewed compliance against the voluntary requirements of the Charity Governance Code and is confident that it complies with its material requirements and objectives. The Governing Body notes:

- 1) A number of Governors have served more than nine years. However, at the time of their reappointment their position on the Governing Body is thoroughly considered. The Governing Body believes these long serving Governors provide a level of institutional memory and a skill set that would be hard to replace without negatively impacting on the performance of the board.
- 2) Having undertaken an audit of its skills, experience and diversity of background, the Governors believe that while there is a good mix of skills and professional experience there is scope to improve the diversity – broadly defined – of the Governing Body. The Governing Body has appointed an Equality, Diversity and Inclusion Liaison Governor as part of the School's wider review of equality and diversity; the Governing Body is also mindful of the need for the Governors to appropriately reflect the diversity of the School's pupil body and this will be taken into account as and when new Governors are recruited.

Governance Structure

The members of the Governing Body, as Directors of Stamford Endowed Schools Trustee Ltd, are legally responsible for the overall management and control of the School. They meet four times a year, one meeting of which is focussed on strategy.

Governors exercise their responsibilities through a number of sub-committees, as set out below:

Education	Responsible for overseeing the School's education, pastoral and co-curricular provision, including EYFS and boarding. Also responsible for monitoring compliance with the School's Safeguarding Policy.
Finance	Monitors the School's financial performance and controls; including approval of annual budgets, fee increases, borrowing, insurance, and capital expenditure. Receives and reviews the annual accounts and meets annually with the School's auditor. Also oversees external relations.
Estates & Operations	Oversees the operational departments of the School; monitors and approves in year capital expenditure; and monitors compliance with Health & Safety legislation and other property related regulations.
Governance & Nominations	Undertakes annual review of governance; recommends appointment of new Governors to the Governing Body; reviews and approves policies; and receives reports on human resources. The Committee also reviews the complaints register on an annual basis and the risk register termly.

Additionally, the Chairs of the sub-committees and the Chair meet annually as the "SET Appraisal Review Committee" to consider the appraisals of the senior executive team and agree their remuneration.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Group Structure

The School has close relationships with:

Stamford Endowed Schools Enterprises Ltd	Enterprises Ltd is a wholly owned subsidiary of Stamford Endowed Schools Trustee Ltd and carries out the School's trading activities. In the year this has included operation of the school shop, leasing school facilities to third parties outside of term time, and managing public access to the sports centre. The profits of Enterprises Ltd are Gift Aided to the School. Currently one Governor is also a Director of Enterprises Ltd, as is the Bursar.
Stamford Endowed Schools Foundation	The Foundation is a connected charity, with the objective of raising funds to support capital projects and means tested bursaries at the School. One of the Governors is also a Trustee of the Foundation.

Operational Management

The day-to-day operation of the School is delegated to the Principal and the Bursar. Along with the three Heads, the Principal and Bursar form the Senior Executive Team ('SET'), which meets twice weekly to oversee the operation and management of the School. The Principal and Bursar attend all meetings of the Governing Body and its sub-committees.

The Key Management Personnel are defined as the Principal, the Bursar and the three Heads; all of whom have responsibility for planning, directing and controlling the School.

The remuneration of the SET is set by the Governing Body with the objective of ensuring that remuneration provides appropriate incentive to encourage enhanced performance and to reward the senior management team for their performance, both collectively and individually.

The appropriateness of remuneration for the SET is reviewed annually by the SET Appraisal Review Committee, which is chaired by the Chair of Governors, including reference to other independent schools, to ensure the School remains sensitive to remuneration and reward strategies elsewhere.

Remuneration for other employees is reviewed annually by the SET and approved by the Governing Body. The Governors recognise that the delivery of the School's charitable objectives is largely dependent on the staff and as such employment costs are the single largest element of the School's costs. Remuneration is set taking account of factors including wider economic conditions, remuneration in other independent schools, performance, and broader employment trends.

CHARITABLE OBJECTS, AIMS AND STRATEGIC OBJECTIVES

Charitable Objects

The object of the School is the provision and conduct in Stamford of day and boarding schools for boys and girls.

Aims

The stated aim of the School is to become 'the best pound for pound schools in the UK'. This means to make innovative and optimal use of the School's resources to offer an outstanding and contemporary all-round educational model, which benefits pupils of a wide range of abilities and ambition and which

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

provides them with the best preparation to make them 21st Century Boardroom Ready – wherever or whatever that boardroom may be.

Key Strategic Objectives

To deliver the stated aims and the charitable objective, the Governing Body has set six key strategic objectives. These are:

21st Century School	To develop schools that equip students with the personal, academic and pastoral skills to flourish in the 21 st Century.
IT Leader	To be a leader in the effective application of technology in and outside the classroom. To embed in pupils the skills needed to excel in an increasingly digital world.
Becoming Stamford	To recognise the individuality of our schools and the strength in them, but also to move them closer and to provide more opportunities for regular interaction across the schools. To also become a closer part of the Stamford town and community.
Great Place to Be	To be an outstanding place to study, live and work. Ensuring that our students are emotionally cared for and equipped to deal with the modern world and that we attract and retain the best talent.
Communications & Brand	Ensuring everyone in the organisation understands who we are, what we do and how we do it; and that success is shared across the whole School community.
Agile & Smart	Operate a flexible and realistic financial model which optimises the financial, human and capital resources available to the schools.

Additionally, the School plans to continue to invest in its estate and has developed an estate master plan, known as the “Property Development Plan” (“PDP”).

Some of the achievements in terms of strategic objectives during the year are included in the section below.

Future Plans

The School’s future plans are aligned with delivering the key strategic objectives and over the next 12 months include:

- **Curriculum Reform:** Over the next year we will review and reform our curriculum with the aim of implementing three clear pathways for students moving into our Sixth Form: (i) A Levels; (ii) a combination of BTEC and A Levels; or (iii) BTEC only. The intent is to design a route that provides flexibility for students, that enables them to access future opportunities, and to ensure that there is a route that allows them to maximise their potential.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

- **IT Leader:** Having moved to a remote teaching platform for the entirety of the summer term, the School is keen to maintain and build-on the benefits that technology brings to teaching and learning. While keeping the humanity of teaching central to the School's ethos and approach, in 2020/21 the School will invest further in teacher training, and will roll out one-to-one devices across the senior schools in September 2021.
- **PDP:** The School has appointed architects and consultants to design a new sports centre for Stamford High School. A planning application will be submitted in 2020/21 with the aim of building starting as soon as possible. The new sports centre will enhance the facilities available to girls and provide opportunities for increased participation.
- **Great Place to Be (Students):** The School is acutely aware of ever developing expectations across society in terms of equality and diversity, which very publicly crystallised over summer 2020 with the Black Lives Matter movement. The School is proud of its welcoming approach to all, but recognises that there is always more that can be done in this area. During the year, the School undertook a review of equality and diversity and will look to implement its findings and recommendations throughout 2020/21; pupil voice and involvement will be at the centre of this.
- **Agile & Smart:** Part of the focus of agile and smart is to find opportunities to share the School's expertise. This year the School entered into agreement with a school in Shanghai to provide consultancy support in terms of curriculum design and A Level teaching; closer to home we are also providing advice on GDPR and data management to an academy chain.

ACHIEVEMENTS & PERFORMANCE OF THE SCHOOL

The School's impact and achievements are primarily measured by the success of its pupils:

Academic

2020 will obviously be remembered as the year so severely affected by Coronavirus. The School was required to physically close to the majority of pupils in the last week of spring term, and slowly re-opened at the end of summer term. Throughout that period the School remained open for the children of key-workers; and in the summer term was able to put in place an arrangement that allowed every child to come into school.

Once the national lock-down was announced the School immediately began to offer remote teaching and learning through the Microsoft Teams platform. This quickly developed so that all pupils were receiving an age appropriate mix of daily live lessons and work set remotely; we were also able to quickly offer some co-curricular activities remotely. Acutely aware of the challenges of lock-down and remote learning, the School also ensured that it continued to provide a full range of pastoral support for all pupils.

In terms of public examinations, students did not sit actual exams this year and grades were based on Centre Assessed Grades. 186 students took A Level examinations or equivalent this summer and 574 results were received inclusive of BTEC and EPQ. Nearly 10% of grades were A* and 43% were A* / A. 75% of grades were in the range A* - B. The majority of the cohort has moved on to university, but an increasing number have opted to begin professional and higher-level apprenticeships.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Similarly, GCSE results this year were based on Centre Assessed Grades. In total there were 932 GCSEs 'sat' at Stamford School this year. 51.4% of these were awarded an A* / A (or equivalent); 99.5% received grades 9 – 4 (equivalent to the old A* - C). Results at Stamford High School were even more impressive: 59.2% of the girls achieved A* / A, and the 9 – 4 pass rate was 97.3%.

Away from exam performance academic improvements this year include:

- Move to use of GL Data across all three schools, which allows us to better track and monitor a child's academic performance as they move through their time with us. This data is also successfully used to provide reporting and feedback to parents.
- Introduction of a "thinking curriculum" in Years 5 and 6, which includes an increase in specialist science teaching in the Junior School (supported by the appointment of an additional teacher and the creation of a Junior School lab) and better prepares children for Year 7.
- Complete alignment of the curriculum and school day between Stamford School and Stamford High School. Boys and girls now have the same curriculum opportunities and the same time amount of teaching time devoted to each subject.

Pastoral

Pastoral support for the pupils has been paramount during a difficult and unprecedented year for everyone; and the School continues to invest more time and resource into this incredibly important area. Of particular note, Stamford School was awarded a Silver Award by the Carnegie Centre for Excellence in Mental Health in Schools. This award recognises the school's commitment to ensuring that mental health issues do not limit success at school or beyond. Over the next year Stamford High School and Stamford Junior School will apply for the award; and Stamford School is investigating applying for the Gold Award (which involves sharing best practice with other schools).

Sport

Like all aspects of school life, sport was severely affected by the Covid-19 lockdown, with all competitive sport cancelled during the summer term. However, even during lock-down the PE & Games Department ensured that they continued to support physical activity for all pupils; and the strong emphasis on participation continued into the first two terms of the academic year, with some form of physical activity being available every day for all pupils.

The School has an overarching goal of promoting lifelong enjoyment of sport and physicality in all pupils. We therefore continue to invest in facilities, resources and staff to support this strategic goal. At the elite end we have further built on the scholarship programme this year, incorporating more strength and conditioning into the programme. We have looked to ensure there are opportunities for all pupils to partake in sport and also new activities. Looking forward, we are also investigating if more curriculum time can be dedicated to Games, so as to give pupils the opportunity to experience and explore sports other than the more traditional team games.

Over the last year we have been able to offer new opportunities for the children in dance, Fives, triathlon, and fencing. Clubs that were established the previous year for equestrianism and golf are thriving with pupils' appetite for various forms of physical activity bucking the national trend of a downturn. One of the key initiatives that we are investigating is the development of relationships with external clubs that have the facilities and staff to support the delivery of these activities. For example, we utilise external clubs

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

for triathlon, golf and sailing to drive the development with an appointed member of staff as the School's liaison.

All the sports continue to grow in terms of numbers participating with special mention to girls' cricket; which grew from two teams to eight in the year. We expect this growth to continue next year, with an aim of fielding twelve teams. The boys' senior hockey team were on target to make the national U18 outdoor finals but like many sports suffered from Covid-19 limiting any such opportunity. The U13 girls' Fives team became national champions and on the back of only one full year of the club operating at the School.

Music & Drama

Despite Covid-19 there were opportunities for drama across the senior schools in the year. Years 7 to 10 performed Dicken's *A Christmas Carol* in The Llowarch Performing Arts Centre; students from Years 7 to 13 staged a dance version of *Alice in Wonderland*; and the Year 10 to 13 students were fortunately able to perform the musical *Legally Blonde* for one night before lockdown conspired to shut them down.

Drama scholars from both senior schools took part in an inaugural Scholars' Challenge during the year (remotely because of Covid-19), where they participated in a range of challenge including performance work, live theatre review and design & technical challenges. We are also proud that our 2020 cohort of A Level drama students have secured places to study at The Oxford School of Speech & Drama, The Liverpool Institute of Performing Arts and the Institute for Contemporary Theatre. A number of current pupils and recent leavers have also gained roles in professional productions, including appearing in a number of Netflix productions and one pupil being an ambassador for the National Youth Theatre.

Music continued to be strong at Stamford. The Rock Band Project and a Music Tech Club, that were both introduced last year, have encouraged more pupils to be engaged with music and on the back of this we are seeing more pupils express an interest in Music Technology A Level. Despite the curtailed year, students had the opportunity to perform in a range of different groups, including Concert Band, Big Band and Orchestra. Singing remained popular with the Stamford School choir, Vox, and the Junior School choir both with waiting lists to join. While so many trips were cancelled this year, the senior choirs did travel to Venice in October and had the opportunity to perform in St Mark's. Even during lockdown music has continued, with instrument teaching moving online, the Chapel Choir recording a service every week, and a number of virtual concerts being held via Microsoft Teams.

Co-curricular

Covid-19 unfortunately led to the cancellation of a number of trips that were scheduled for over Easter and summer holidays. Very regrettably trips to Washington DC, Sri Lanka, Seattle, the Himalayas, Athens, and the World War I battlefields all had to be cancelled.

More locally, co-curricular activities were able to take place in the first two terms of the year. A winter mountaineering trip to the Cairngorms reported "excellent" weather, which for them meant snow and 60mph winds; and the climbing club saw an increased number of students lead climbing. Unfortunately, students were not able to take part in the usual Duke of Edinburgh Award Scheme expeditions, but these have been re-arranged for October 2020 so that students can complete their Gold and Silver awards. The Combined Cadet Force was also active in the first two terms, making heavy use of the Burghley Estate for navigation, command tasks, and field craft. All three CCF sections were also able to take part in inter-unit competitions, with the RAF section winning the Command Task competition at the Regional Air Squadron Trophy.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

PUBLIC BENEFIT ACTIVITIES

In considering the aims and activities of the School, the Governing Body has, in accordance with the Charities Act 2011, given due regard to the public benefit guidance issued by the Charity Commission.

Widening Access

The Charity's primary objective is the delivery of education to boys and girls in Stamford and therefore the main way that it achieves its objective is through admissions. The Governing Body remains cognisant of the fact that the cost of independent education is an impediment to some families accessing the School; therefore, great emphasis is placed on providing financial support to families who may otherwise not be able to access the School.

The School welcomes pupils from all backgrounds; and the social diversity of the pupil body is one of the School's strengths. The schools do conduct entrance tests, to ensure that young people joining the School will be able to cope with the educational demands of the curriculum; however, factors such as gender, economic status, race, ethnicity, religion or disability do not form any part of the entrance assessment.

The Governing Body is keen to protect the social diversity and as such significant resources are allocated to provided support to families who may not otherwise be able to access a Stamford education. This financial support is known as means tested bursaries, and such awards can range from 10% to 110% of fees.

Bursaries can be awarded to any child who meets the general entry requirements and whose family demonstrates a need for some level of financial support. This year the School awarded means tested bursaries to 316 pupils, with a combined value of £2.3m (2019: 347 pupils, £2.4m); the value of awards is lower this year due to the summer term discount. In the year there were 5 pupils whose fees were covered by 100% bursaries (2019: 7).

While the Governing Body would ideally like to do more in terms of bursary provision, it must also be mindful of its other financial responsibilities. The School does not have large endowments, and the Governors must balance the needs of full-fee paying parents, many of whom make significant sacrifices to send their children to the School, and the desire to provide fee assistance.

Benchmarking suggests that the School's level of financial support is far in excess of the sector average. In the year the School made 15.0% (2019: 14.9%) of gross fee income available as fee assistance, against a sector average of just 10.8% (sector figure is for 2019, the latest data, and comes from Baines Cutler's National Independent School's Benchmarking Survey 2020).

Work with the Maintained Sector

The School actively looks to build partnerships with local schools from the maintained sector, and to open up events and facilities to pupils from other schools. This year activities have been limited by Covid-19 restrictions, but included:

- Seven members of staff are Governors for local maintained sector schools, one of whom is the Safeguarding Governor for a local primary school (two more are Governors of other independent schools).
- The Geography Department organised a Festival of the Moon for 100 junior school pupils, including fifty from local state primary schools. The children who attended, all Year 5, made scale

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

models of a planet and various activities took place on a carousel including hands-on science activities, use of telescopes, a mobile planetarium and talk given by a lecturer from University of Leicester.

- The Classics Department ran an Ancient Greek day for thirty children at a local primary school. The day proved such a success that the School is now investigating working with the partner school to introduce Latin into their curriculum, with a view to Stamford Endowed Schools becoming the Lincolnshire hub for the 'Classics for All' initiative.
- Classroom space was made available free of charge to a local primary school to allow them to bring pupils back to school in the summer term, after the Covid-19 lockdown in a socially distanced way.
- The Sixth Form Debating Society ran a number of shared sessions with students from Stamford College.
- The Geography department organised and hosted the South Lincolnshire Worldwide Quiz. The quiz included 50 students from 12 local schools.
- Each year the School provides audio-visual support to a local primary school's dance club. The dance club make use of the School's studio to professionally film a dance routine that is entered into a national competition.
- As part of the British Physics Olympiad, the School hosted the top thirty Year 10 pupils from the national competition. The High School's Head of Physics was also heavily involved in the organisation of the competition and writing of papers.
- Pupils from six schools were hosted by the Modern Foreign Languages department for a language day run in partnership with GCHQ.
- The MFL department offer a weekend outreach programme to children from local primary schools. Roughly 15 to 20 pupils attend to have an introduction to French, German and Spanish.
- A pupil from a local grammar school was supported with her successful application to read veterinary science at university; support was also provided to students from another independent school applying to read law.
- The School CCF provide support and guidance to a newly formed CCF at the local state school as part of the MOD's Cadet Expansion Programme. This includes general advice and also allowing cadets to use the School's rifles and range.
- A pupil from a local senior school was invited to join Stamford School's symphony orchestra as one wasn't available at his own school.
- The School supports the country's only Modern Foreign Language SCITT by hosting trainee teachers on placement. The School's ability to offer support for German and Russian teachers is unusual; and two teachers have had placements in the last year.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Charitable Giving

The School itself does not make charitable donations; however, pupils across the Schools hold numerous fundraising events each year. Additionally, this year the School supported the NHS by donating personal protective equipment during the Covid-19 lockdown. The School made a donation of safety spectacles and latex gloves from the science department to a local GP practice.

Staff in the Design Technology department were also at the forefront of the initiative that saw schools manufacture face shields for the NHS. A number of parents and staff supported the initiative by donating towards the cost of materials. In total donations of £6,950 were received and this covered the cost of manufacture; staff involved in the initiative gave their time freely. Face shields were provided to Peterborough Hospital and local GPs, who at the time were unable to source sufficient PPE.

Community Access & Relations

In-line with the 'Becoming Stamford' strategic objective the School seeks to support the local community wherever possible. Selected examples include:

- Three members of staff volunteer as coaches at Stamford Rugby Club, and are heavily involved in coaching local children and the development of the local club.
- Two members of staff are Trustees of local charities; the School is also represented on Stamford Civic Society, Stamford Chamber of Commerce (Vice Chairman) and Connect Stamford.
- The sports facilities are used by Stamford Tennis Club, Stamford Squash Club, Bourne & Deeping Hockey Club and Stamford Triathlon Club – all of whom pay below market rates.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR ENDED 31 AUGUST 2020

Financial Review

The financial performance of the School during the year was dominated by Coronavirus, as the School was required by the Government to physically close for the majority of the summer term. The Governors agreed a significant discount for all pupils for summer term (at least 25% for day fees and 50% of boarding fees), and also offered payment holidays and Covid-19 Hardship Bursaries to approximately 80 families.

Despite an increase in pupil numbers in the year, and an inflationary increase in fees that applied from September 2019, fee income was materially down on the prior year because of the Covid-19 related discount awarded in the summer term: £24,752k in 2020 v £26,126k in 2019. Discounts of approximately £3m were awarded for the summer term.

The lost income was partially offset by reduction in expenditure (for example, on utilities, catering, and school transport). Additionally, the School claimed £722k (2019: £nil) under the Government's Coronavirus Job Retention Scheme (commonly known as the 'Furlough Scheme'). During the period of physical closure during the summer term, the School furloughed the majority of support and teaching-support staff, who were unable to work from home. In total over 250 members of staff were furloughed at some time. All staff were brought back to work when the School fully re-opened in September 2020. This support meant that the School did not have to make any Covid related redundancies in the year. The announcement of a second period of lockdown and school closure in January 2021, meant that the School re-furloughed some staff and will make a further claim under the Coronavirus Job Retention Scheme.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

During the year, the total cost of employment increased by £1.1m (2020: £17.9m v 2019: £16.8m). This reflects annual pay awards, but also the increase in employer contributions to the Teachers' Pension Scheme, which applied from September 2019; this alone added £0.6m to the cost of employment.

Despite cost savings and the Furlough Scheme, the summer term fee discount combined with the increased salary costs meant the School made a loss in the year. The net movement in funds was £(1,093)k in the year (2019: surplus of £854k). The Governors are confident this was entirely due to the exceptional nature of the Covid-19 crisis.

Capital expenditure in the year was £0.8m (2019: £1.2m). There were no major building projects during the year, and the capital expenditure therefore largely relates to rolling programmes to upgrade and modernise facilities and to replace IT infrastructure. There were capital disposals of £0.2m in the year; this related to the disposal of the school minibus fleet, which was replaced with new leased vehicles.

The closing cash position was £3,097k (2019: £597k). As noted below, the School took out a £3m loan in the year which accounts for most of this movement; however, this was netted off by a slight reduction in fees paid in advance. Given the unprecedented nature of the Covid crisis and the financial challenges faced by many parents, fee debt did increase in the year; however, the School has increased the bad debt provision by £356k to offset this. Net fee debt at the year-end was therefore £64k (2019: £155k).

The year-end debt position was £3m (2019: £245k). During the course of the year, the School repaid the outstanding £245k bank loan from Barclays Bank Plc. In May the School then entered into a new £3m loan agreement with Barclays Bank under the Coronavirus Business Interruption Loan Scheme ('CBIL'). The Governors took on the CBIL borrowing as a precautionary measure at the height of the Covid-19 lockdown; ultimately the School did not need to draw on this extra funding and the full balance is currently deposited with Barclays as cash at bank. Under the CBIL loan there is a 12-month capital repayment holiday; the loan is then repayable in eight equal quarterly instalments. As the CBIL scheme is backed by the Government there were no arrangement fees payable; interest is payable at 1.29% above Bank of England Base Rate, with no interest payable by the School in the first 12 months.

Reserves Policy

At the year-end the School has unrestricted funds of £20,400k (2019: £23,662k), and restricted funds of £7,974k (2019: £4,805k). Given the loss in the year, there is an overall reduction in funds in the year.

As the net book value of fixed assets is £33,711k (2019: £34,472k) the School does not technically have free reserves; however, Governors are confident that the School's cash flow is managed in such a way to ensure that there are always sufficient funds to meet its obligations as they fall due.

The School had restricted funds of £342k at the year-end (2019: £344k). These restricted funds must be used to fund scholarships or school prizes; in the year £7k (2019: £303k) was drawn down and transferred into unrestricted funds. Additionally, the School has £7,632k (2019: £4,461k) of Endowed Funds. This relates to certain property assets that are inalienable under the Charity Deed (see Note 21). In the year, the Governors reversed an inter-fund loan between Endowed Funds and Unrestricted Funds that had been created in 2012. This loan had been intended to reflect the cost of refurbishment of endowed properties funded from unrestricted funds. The Governors are of the view that as the works relate to inalienable properties, it is potentially misleading to classify the amount as Unrestricted and have therefore made an adjustment to remove this loan position.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

It is the Governors' policy to generate an annual investment surplus (defined as the surplus on unrestricted funds before depreciation, but excluding the profit or loss on the disposal of fixed assets) in excess of 8% of net income. This year the investment surplus was 2.0% (2019: 10.2%). The failure to meet the 8% target was due entirely to the financial impact of Covid-19.

While it is the Governors' intent to increase the value of the School's investment holdings, there is also an intent to continue to invest in and enhance the School's facilities and resources. The Governors aim to achieve this through an on-going programme of capital investment, which inevitably is achieved at the expense of creating free-reserves. The Governors' desired intent to continue to invest in School facilities will therefore be balanced against the desire to increase the value of liquid funds held by the School.

Risk Management and Principal Risks and Uncertainties

The major risks to which the School might be exposed are regularly considered by the SET and the Governing Body. The School's risk register is maintained and reviewed by the Bursar. Where appropriate, steps are taken to mitigate identified risks and, if appropriate, to insure against the potential financial impact of the residual risks. The Governors consider that the necessary steps have been taken and continue to be taken to identify and mitigate major risks.

The Governors consider that the key strategic risks faced by the School are currently largely driven by external factors, and include:

- Continuing impact of Covid-19 on the operations and finances of the School;
- A downturn in the number of international boarders choosing to study in UK because of Covid-19 fears and restrictions;
- General economic downturn or recession, caused by Covid-19 and/or Brexit; and
- Loss of mandatory business rate relief for independent schools, or other taxation measures.

Various controls and actions are in place to mitigate against these risks, including investment in marketing and pupil recruitment, a strong budgetary regime and thorough review of expenditure areas.

Before the accounts were approved and signed, the Government required schools to close again as part of the national Covid-19 control measures. The Governors continue to actively monitor the impact of this second lockdown; but are confident that this lockdown has no material impact on the judgements made in preparing these accounts for the year ended 31st August 2020.

Investment Policy

The only current investment is the Bursary Fund. The Governors' objective for the Bursary Fund is first to match the fund to the anticipated draw-down over the next two years, and secondly to deliver capital growth. The performance of the fund is monitored on an annual basis by the Finance Sub-committee using appropriate benchmarks; on this basis the Bursary Funds continues to perform satisfactorily.

More widely, Governors recognise and accept their responsibility to not only protect the Schools' assets but also to maximise income within acceptable levels of risk. The Governors have therefore agreed their investment / treasury priorities are to:

- 1) Ensure the School has sufficient funds to meet its short-term obligations;
- 2) Hold sufficient funds to respond to unexpected events;
- 3) Hold funds to meet long-term strategic objectives, such as capital projects;
- 4) Make investments that have the potential to yield long-term financial gains.

STAMFORD ENDOWED SCHOOLS
ANNUAL REPORT OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

FUNDRAISING

In the year, the School has continued to seek to raise funds for capital projects and to support bursaries. All fundraising campaigns are run in-house, and the School does not use external fundraisers. The School primarily looks to raise funds from alumni and people and organisations already connected with the School. The School also supports the fundraising activities of the Stamford Endowed Schools Foundation.

The School is registered with the Fundraising Regulator and have put in place controls and procedures to ensure fundraising activities are carried out in a manner that is compliant with regulations and best practice. The School have not received any complaints relating to fundraising in the year.

AUDITORS

The School's auditors are Haysmacintyre UK LLP, who were appointed initially in February 2019. The Governors have approved the on-going appointment of Haysmacintyre.

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body are responsible for preparing the Annual Report of the Governors and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the 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 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, 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 Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Governing Body of Stamford Endowed Schools on 22 March 2021 and signed on its behalf by:



N Rudd-Jones
(Chairman of Governing Body)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF STAMFORD ENDOWED SCHOOLS

Opinion

We have audited the financial statements of Stamford Endowed Schools for the year ended 31 August 2020 which comprise the consolidated statement of financial activities, consolidated and charity balance sheet, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 August 2020 and of the group's net movement in funds 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 auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 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.

Responsibilities of Trustees for the Financial Statements

As explained more fully in the trustees' responsibilities statement [set out on page 12, 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 the 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 the 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 located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STAMFORD ENDOWED SCHOOLS (CONTINUED)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity; or
- sufficient accounting records have not been kept; 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP

Statutory Auditors

10 Queen St Place

London

EC4R 1AG

Date 25/03/21

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STAMFORD ENDOWED SCHOOLS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed funds £'000	2020 Total £'000	2019 Total £'000
Income from:						
Charitable activities						
School fees receivable	2	21,153	-	-	21,153	22,354
Other income	3	2,405	-	-	2,405	2,561
Other trading activities						
Trading turnover of subsidiary	4	568	-	-	568	860
Investments						
Investment income		-	10	-	10	2
Bank and other interest		-	1	-	1	11
Voluntary Sources						
Donations		-	133	-	133	133
Total income		24,126	144	-	24,270	25,921
Expenditure on:						
Raising funds						
Trading costs of subsidiary	5	602	-	-	602	740
Financing costs		3	-	-	3	8
Fundraising & Development		155	8	-	163	156
Total expenditure		759	8	-	768	904
Charitable activities						
Education and grant making	5	24,380	132	84	24,596	24,178
Total expenditure		251,139	140	84	25,363	25,082
Gains on investments	9	-	1	-	1	15
Transfers between funds	16	(3,248)	(7)	3,255	-	-
Net movement in funds for the year		(4,262)	(2)	3,171	(1,093)	854
Fund balances at 1 September 2019		24,662	344	4,461	29,467	28,613
Fund balances at 31 August 2020		20,400	342	7,632	28,374	29,467

The notes on pages 22 to 42 form part of these financial statements.

STAMFORD ENDOWED SCHOOLS
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020 – COMPARATIVES

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowed funds £'000	2019 Total £'000
Income from:					
Charitable activities					
School fees receivable	2	22,354	-	-	22,354
Other income	3	2,561	-	-	2,561
Other trading activities					
Trading turnover of subsidiary	4	860	-	-	860
Investments					
Investment income		2	-	-	2
Bank and other interest		-	11	-	11
Voluntary Sources					
Donations		-	133	-	133
Total income		25,777	144	-	25,921
Expenditure on:					
Raising funds					
Trading costs of subsidiary	5	740	-	-	740
Financing costs		8	-	-	8
Fundraising & Development		148	8	-	156
Total expenditure		896	8	-	904
Charitable activities					
Education and grant making	5	23,954	140	84	24,178
Total expenditure		24,850	148	84	25,082
Gains on investments	9	-	15	-	15
Transfers between funds	15	303	(303)	-	-
Net movement in funds for the year		1,230	(292)	(84)	854
Fund balances at 1 September 2018		23,432	636	4,545	28,613
Fund balances at 31 August 2019		24,662	344	4,461	29,467

The notes on pages 22 to 42 form part of these financial statements.

STAMFORD ENDOWED SCHOOLS
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2020

	Note	Group		Charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
FIXED ASSETS					
Tangible assets	7	33,402	34,120	33,369	34,078
Intangible assets	8	17	60	17	60
Investment portfolio	9	292	291	292	291
Investment in subsidiary		-	-	60	60
		33,711	34,471	33,738	34,489
CURRENT ASSETS					
Stock		214	122	98	-
Debtors	10	669	638	1,041	865
Cash and deposits		3,097	597	2,766	393
		3,980	1,357	3,905	1,258
CREDITORS: Amounts falling due within one year	11	(5,935)	(5,527)	(5,852)	(5,446)
NET CURRENT (LIABILITIES)		(1,955)	(4,170)	(1,947)	(4,188)
TOTAL ASSETS LESS CURRENT LIABILITIES		31,756	30,301	31,791	30,301
CREDITORS: Amounts falling due after more than one year	12	(3,382)	(834)	(3,382)	(834)
NET ASSETS		28,374	29,467	28,409	29,467
REPRESENTED BY:					
PERMANENT ENDOWED FUNDS	15	7,632	4,461	7,632	4,461
RESTRICTED FUNDS	15	342	344	342	344
UNRESTRICTED FUNDS	15	20,400	24,662	20,435	24,662
		28,374	29,467	28,409	29,467

The operating loss of the Charity was £(1,058)k (2019: £746k).

These financial statements were approved by the Governing Body on 22 March 2021 and were signed on its behalf by:



N Rudd- Jones
On behalf of Stamford Endowed Schools Trustee Limited

Date:

STAMFORD ENDOWED SCHOOLS
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020		2019	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities					
Net cash provided by operating activities	(i)		<u>493</u>		<u>817</u>
Cash flows from investing activities:					
Payments for tangible fixed assets		(769)		(1,243)	
Payments for intangible assets		-		(39)	
Proceeds on sale of tangible fixed assets		15		1	
Investment income and bank interest received		11		13	
Net cash used in investing activities			<u>(743)</u>		<u>(1,268)</u>
Cash flows from financing activities:					
Finance Costs paid		(3)		(8)	
Overdraft facility		-		164	
Bank loan repaid		(245)		(230)	
Covid Business Interruption loan drawn down		3,000		-	
Net cash used in financing activities			<u>2,752</u>		<u>(74)</u>
Change in cash and cash equivalents in the reporting period			<u>2,500</u>		<u>(525)</u>
Cash and cash equivalents at the beginning of the reporting period			<u>597</u>		<u>1,122</u>
Cash and cash equivalents at the end of the reporting period	(ii)		<u>3,097</u>		<u>597</u>

The notes on pages 22 to 42 form part of these financial statements.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

(i) Reconciliation of net income to net cash flow from operating activities

	2020		2019	
	£'000	£'000	£'000	£'000
Net income		(1,093)		854
Elimination of non-operating cash flows:				
Gains on investments	(1)		(15)	
Investment income	(11)		(13)	
Finance Costs	3		8	
Depreciation charge	1,387		1,391	
Amortisation charge	15		24	
Loss/ (profit) on the sale of fixed assets	112		(1)	
(Increase) in debtors	(31)		(19)	
Increase/ (decrease) in creditors (excluding fees in advance scheme, parents' deposits and bank loan)	343		(1,001)	
(Decrease)/ Increase in Fees in Advance scheme creditors	(131)		(303)	
(Decrease)/ Increase in parents' deposits	(11)		(62)	
(Increase) in stock	(90)		(46)	
		<u>1,585</u>		<u>(37)</u>
Net cash inflow from operations		<u>493</u>		<u>817</u>

(ii) Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash at bank	3,024	230
Bank Deposits	73	367
	<u>3,097</u>	<u>597</u>

(iii) Analysis of movements in net funds

	1 September		Other	31 August
	2019	Cashflows	Changes	2020
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash	230	2,794	-	3,024
Deposit accounts	367	(294)		73
	<u>597</u>	<u>2,500</u>	<u>-</u>	<u>3,097</u>
Borrowings				
Debt due within one year	(245)	(505)	-	(750)
Debt due after one year	-	(2,250)	-	(2,250)
	<u>(245)</u>	<u>(2,755)</u>	<u>-</u>	<u>(3,000)</u>
Total	<u>352</u>	<u>(255)</u>	<u>-</u>	<u>97</u>

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015 – and the Charities Act 2011. 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 (FRS102) 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 Charity is registered in England (charity number 527618) with its registered office at Brazenose House, St Paul's Street, Stamford, PE9 2BS.

Basis of accounting

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

Basis of consolidation

The accounts present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and Charity balance sheets comprising the consolidation of the Charity with its wholly owned subsidiary Stamford Endowed Schools Enterprises Limited. The consolidation has been carried out on a line by line basis. No separate SOFA has been presented for the Charity in the financial statements. The separate parent charity's Statement of Financial Activities for the year ended 31 August 2020 shows gross income of £23,702k (2019: £25,063k) and a total loss of £(1,058)k (2019: surplus £746k).

The Charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales on 23 December 1980 as varied by Schemes of 12 September 1989, 17 January 1996, 24 April 2003 and 20 August 2010 (charity number: 527618).

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

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 if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Charity's financial statements.

Going concern

In light of the ongoing risks associated with Covid-19, the Governors continue to monitor cash flow forecasts and long term financial projections very closely. The School has seen very limited impact on pupil numbers, the main driver of income, and recruitment for September 2021 remains strong. The School has also implemented strategies to mitigate operating costs. After making enquiries, the Governors have a reasonable expectation that the school has adequate resources to continue its activities for the foreseeable future; and despite Covid-19, consider that there are no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 14.

Fees and similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the Charity against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when it becomes receivable and can be reliably quantified as the Charity's entitlement and the economic benefit to the School is considered probable.

Voluntary income is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the retention is to be permanent or not. Gifts in kind are valued at estimated open market value at the date of gift, in the case of assets for retention or consumption, or at the value to the School in the case of donated services or facilities

Time given by volunteers in support of the Charity does not have a value placed on it in the accounts. Whilst it is highly valued it is not material in the context of the accounts.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Donations, legacies, grants and other voluntary income (continued)

Income received under the Government's Coronavirus Job Retention Scheme is recognised under the accruals basis in line with staff costs.

Expenditure

Expenditure is accounted for on an accruals basis, as soon as a liability is considered probable. Expenditure attributable to more than one cost category in the SOFA is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Grants awarded are expensed as soon as they become legal or operational commitments.

Governance costs comprise the costs of complying with constitutional and statutory requirements.

Intra-group sales and charges between the Charity and its subsidiary are excluded from trading income and expenditure.

Tangible fixed assets

Land and Buildings

All Land and Buildings being occupied for the purpose of the provision of educational services were revalued during the year ended 31 August 1994 by Messrs Cornerstone having regard to their specific uses. Historic buildings are included within the valuation.

Advantage has been taken of the transitional provisions included in Financial Reporting Standard 15, whereby the revaluation will not be updated on an annual basis. The Trustee expects that the properties will have increased in value since 1994 in line with other similar local properties.

Inalienable land and buildings have been capitalised at valuation, and are separately disclosed in these accounts (note 20). They are specifically referred to in the Charitable Deed, which specifies that they are to be retained for use by the Charity and cannot be disposed of, without the consent of the Charity Commission.

Expenditure incurred to improve and enhance the condition of land and buildings is capitalised if in excess of £10,000.

Impairment Review

The value of any asset which has suffered an impairment is adjusted once the impairment has been identified (although none were identified in the current year) and this matter is kept under continual review.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Depreciation

All land and buildings owned at 31 August 2004 are amortised based on the net book value at 1 September 2004. Land and building additions between 1 September 2004 and 31 August 2015 are amortised based on the net book value as at 1 September 2015. Excluding the value attributable to land, this is being amortised over 50 years from 1 September 2004, with a residual value of 50% of the net book value at 1 September 2004.

Depreciation of all other assets is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, on a straight line basis, over their expected useful economic lives as follows:

Land and Buildings (purchased since 2004)	50 years
Improvements to buildings and other assets	5 or 15 years
Furniture, machinery and equipment	5 or 15 years
Motor vehicles	5 years
Computer equipment	5 years

Assets which have not been brought into use are not depreciated.

Intangible assets

Since 1 September 2016, software expenditure in excess of £10k is capitalised. This is amortised over 3 years.

Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Investments in subsidiaries are valued at cost (see note 9).

Stock

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Fund accounting

The charitable trust funds of the charity are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded. Endowment funds are permanent funds.

Unrestricted income spendable at the discretion of the Governors to further the charity's objects.

The Bursary Fund Where the Governors decide to set aside any part of the unrestricted funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund. The Bursary Fund was established in 1997 with £1 million initial investment to provide financial assistance from its income to assist parent, who are resident in the locality, to send their children to the School, when the fees would otherwise prove too great a financial burden. The bursary fund is being used to fund bursaries from September 2008 under the Bursaries and Scholarship Policy

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment funds relate to the inalienable capital of the Charity, as set out in its Charitable Deed. The income derived from the use of the assets which underpin the Capital Funds may be used for any purpose, and is therefore shown as income of Unrestricted Funds.

Pension costs

Retirement benefits to employees of the Stamford Endowed Schools are provided through two pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

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

Non-teaching Staff – The charity contributes to a group money purchase scheme, the funds of which are held and administered independently by the Standard Life Assurance Company. The regular employer's contributions, which are charged to expenditure in the period in which the salaries to which they relate are payable, were £282k for the financial year (2019: £282k).

Taxation

The Charity is a Registered Charity and all expenditure is for charitable purposes. It follows that no provision is required for taxation on either the surplus from tuition and boarding, or on investment income received.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Doubtful debt

The Trustee provides for sums which it considers will not be recoverable from parents and other debtors. Disputed amounts are provided for, if material, unless receipt can be predicted with a reasonable degree of certainty.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised value, with the exception of investments which are held at fair value, being market value in an active market. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

2. CHARITABLE ACTIVITIES – FEES RECEIVABLE

	2020	2019
	£'000	£'000
Fees receivable consist of:		
School fees	24,752	26,126
Less: total scholarships, bursaries, discounts and remissions	<u>(3,723)</u>	<u>(3,905)</u>
	21,029	22,221
Add back: Bursaries and other awards paid for by restricted funds	<u>124</u>	<u>133</u>
	<u>21,153</u>	<u>22,354</u>

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

3. CHARITABLE ACTIVITIES – OTHER INCOME

	2020	2019
	£'000	£'000
Coronavirus Job Retention Scheme	722	-
Extras (trips, meals, additional subjects etc.)	1,683	2,561
	2,405	2,561

4. OTHER TRADING ACTIVITIES

	2020	2019
	£'000	£'000
Trading income		
Stamford School Enterprises Limited	568	860

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

5. ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Note	Staff costs (note 6) £'000	Depreciation & Amortisation £'000	Other £'000	Total 2020 £'000	<i>Total 2019 £'000</i>
Costs of raising funds						
Cost of sales		-	-	225	225	287
Other trading costs		245	8	124	377	453
Financing costs		-	-	3	3	8
Development costs		128	-	35	163	156
Total costs of raising funds		373	8	387	767	904
Charitable expenditure						
Education and grant making						
Teaching		13,635	-	1,095	14,730	13,241
Welfare		889	-	472	1,361	1,610
Premises, repairs and maintenance		1,278	1,395	2,081	4,753	4,667
Support costs of schooling	5(c)	1,734	-	1,885	3,618	4,520
Grants, awards and prizes	5(b)	-	-	132	132	140
Total charitable expenditure		17,535	1,395	5,665	24,595	24,178
Total expenditure		17,908	1,403	6,052	25,363	25,082

(b) Grants, awards and prizes

	2020 £'000	<i>2019 £'000</i>
From Restricted Funds:		
Bursaries and other grants and awards	124	133
Prizes and leaving awards	8	7
	132	140

(c) Governance included in support costs:

	2020 £'000	<i>2019 £'000</i>
Remuneration paid to auditor for audit of current year accounts	20	17
Remuneration paid to auditor for audit of teachers' pension	2	2
Indemnity Insurance for Governors	5	5
	27	24

Travel expenses of £nil (2019: £nil) were reclaimed by members of the Governing Body.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

6. STAFF COSTS

The aggregate payroll costs for the year were as follows:

	2020 £'000	2019 £'000
Wages and salaries	14,173	13,789
Social security & other employment taxes / levies	1,350	1,290
Other pension costs	2,385	1,700
	<u>17,908</u>	<u>16,779</u>

None of the Governors received any remuneration or other benefits from Stamford Endowed Schools or from any connected body. During the year the School made redundancy or termination payments of £23k (2019: £35k).

Aggregate employee benefits of key management personnel which comprises the Senior Executive Team £762,309 (2019: £681,119).

The number of higher paid employees, as defined by the Charities SORP, was:

	2020	2019
£60,001 to £70,000	3	4
£70,001 to £80,000	3	3
£80,001 to £90,000	1	1
£90,001 to £100,000	1	1
£100,001 to £110,000	3	3
£180,001 to £190,000	1	1
	<u>12</u>	<u>13</u>

	Average FTE		Average Headcount	
	2020	2019	2020	2019
Teaching	190	192	216	218
Welfare	39	38	52	52
Premises	56	57	82	81
Teaching Support	68	59	105	94
Admin	43	43	42	49
Enterprises Ltd	19	23	32	46
Fund Raising	3	1	3	1
	<u>418</u>	<u>413</u>	<u>532</u>	<u>541</u>

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7. TANGIBLE FIXED ASSETS

Group

	Leasehold Improvement	Inalienable Land & Buildings	Other Land & Buildings	Motor Vehicles	Fixtures & Fittings	Assets Under Construction	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Valuation or Cost							
<i>At 1 Sept 2019</i>	621	12,523	26,078	474	10,332	134	50,162
Additions	-	-	54	20	511	204	769
Transfers	-	-	2	-	57	(58)	-
Disposals	-	-	-	(194)	-	(74)	(268)
At 31 Aug 2020	621	12,523	26,134	280	10,900	205	50,663
Depreciation							
<i>At 1 Sept 2019</i>	62	4,807	3,898	362	6,913	-	16,042
Charge for year	31	84	635	31	607	-	1,387
Disposals	-	-	-	(168)	-	-	(168)
At 31 Aug 2020	93	4,891	4,533	224	7,520	-	17,261
Net Book Value							
At 31 Aug 2020	528	7,632	21,601	55	3,380	205	33,402
<i>At 1 Sept 2019</i>	<i>559</i>	<i>7,716</i>	<i>22,180</i>	<i>112</i>	<i>3,419</i>	<i>134</i>	<i>34,120</i>

Most of the inalienable buildings and some of the other buildings are of historic interest.

At the year end the group had capital commitments of £nil (2019: £246k) which are contracted but not provided for.

Assets under Construction includes costs associated with four projects which began in the summer holidays of 2019/20 but had not completed at 31st August 2020. £148k relates to land and buildings and £57k to fixtures and fittings. All are in the Charity.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

7. TANGIBLE FIXED ASSETS (CONT.)

Charity

	Leasehold Improvement	Inalienable Land & Buildings	Other Land & Buildings	Motor Vehicleless	Fixtures & Fittings	Assets Under Construction	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Valuation or Cost							
<i>At 1 Sept 2019</i>	621	12,523	26,078	474	10,287	134	50,177
Additions	-	-	54	-	511	204	769
Transfers	-	-	2	-	57	(58)	-
Disposals	-	-	-	(194)	-	(74)	(268)
At 31 Aug 2020	621	12,523	26,133	281	10,857	205	50,619
Depreciation							
<i>At 1 Sept 2019</i>	62	4,807	3,898	364	6,910	-	16,039
Charge for year	31	84	635	31	599	-	1,380
Disposals	-	-	-	(168)	-	-	(168)
At 31 Aug 2020	93	4,891	4,533	226	7,507	-	17,250
Net Book Value							
<i>At 31 Aug 2020</i>	528	7,632	21,600	55	3,350	205	33,369
<i>At 1 Sept 2019</i>	559	7,716	22,180	112	3,377	134	34,078

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

8. INTANGIBLE ASSETS

Group and Charity

	Software	Assets under construction	TOTAL
	£'000	£'000	£'000
Cost/valuation			
At 1 September 2019	79	27	106
Additions	-	-	-
Disposals	-	(27)	(27)
At 31 August 2020	79	27	106
Amortisation			
At 1 September 2019	46	-	46
Charge for the year	15	-	15
Disposal	-	-	-
At 31 August 2020	61	-	46
Net book value			
At 31 August 2020	17	-	17
At 31 August 2019	33	27	60

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

9. INVESTMENT PORTFOLIO

	2020 £'000	2019 £'000
Group investments		
At 1 September 2019	291	276
Increase in value of investments	<u>1</u>	<u>15</u>
Group investments at 31 August 2020	292	291
Investment in subsidiary	<u>60</u>	<u>60</u>
Charity investments at 31 August 2020	<u>351</u>	<u>351</u>
Analysis of investment portfolios		
COIF	264	263
M & G	29	28
Total investments	<u>292</u>	<u>291</u>

10. DEBTORS

	Group		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fees and extras	64	155	64	155
Other debtors	62	81	16	36
Other prepayments and accrued income	544	402	539	365
Amounts due from subsidiary companies				
Trade debt	-	-	422	198
Deed of covenant	<u>-</u>	<u>-</u>	<u>-</u>	<u>111</u>
	<u>669</u>	<u>638</u>	<u>1,041</u>	<u>865</u>

All debtors are due within one year.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

11. CREDITORS: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Deposits from parents	511	522	511	522
Bank loan and overdraft	-	245	-	245
Coronavirus Business Interruption Loan	750	-	750	-
Trade creditors	595	691	560	655
Taxation and social security	374	11	341	-
Other creditors	363	16	353	17
Fee received in advance of following term	2,602	2,785	2,602	2,785
Fees in Advance	700	946	700	946
Accruals	40	311	36	276
	5,935	5,527	5,852	5,446

12. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Coronavirus Business Interruption Loan	2,250	-	2,250	-
Fees in Advance Scheme	1,132	834	1,132	834
	3,382	834	3,382	834

The CBIL loan is repayable as follows:

Within 12 months	750	-	750	-
1 – 2 years	1,500	-	1,500	-
2 - 3 years	750	-	750	-
	3,000	-	3,000	-

The CBIL loan (which is at an interest rate of base rate + 1.29%, with a 12-month interest and capital repayment holiday) is repayable over a period of 3 years from May 2020 and is secured by a charge over certain freehold properties of the Charity, which are detailed below:

Welland House, Byard House, Park House, School Shop, artificial sports pitch, Browne House, Bursar's Office, Principal's House and the School Playing Fields.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

13. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay the School in advance for fixed contributions towards future tuition fees. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the School, fees in advance will be applied as follows:

	2020 £'000	2019 £'000
After five years	160	76
Within two to five years	529	308
Within one to two years	<u>443</u>	<u>450</u>
Within one year	<u>700</u>	<u>946</u>
	<u>1,832</u>	<u>1,780</u>
Summary of movements in liability		
	£'000	
Balance at 1 September 2019	1,780	
New contracts	985	
Repayments	(58)	
Amounts used to pay fees	<u>(875)</u>	
Balance at 31 August 2020	<u>1,832</u>	

14. OPERATING LEASE COMMITMENTS

	2020 £'000	2019 £'000
Due within one year	51	-
Within two to five years	<u>173</u>	<u>-</u>
	<u>224</u>	<u>-</u>

Operating leases are all in the charity and relate to new minibuses acquired in 2020.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Endowed	Restricted	Unrestricted	Total
	£'000	£'000	£'000	£'000
Tangible fixed assets	7,632	-	25,770	33,402
Intangible fixed assets	-	-	17	17
Investments	-	292	-	292
Net current assets/ (liabilities)	-	50	(2,005)	(1,955)
Long term liabilities	-	-	(3,382)	(3,382)
	7,632	342	20,400	28,374

For the year ended 31st August 2019:

	Endowed	Restricted	Unrestricted	Total
	£'000	£'000	£'000	£'000
Tangible fixed assets	7,716	-	26,404	34,120
Intangible fixed assets	-	-	60	60
Investments	-	291	-	291
Net current / (liabilities)	-	53	(4,241)	(4,188)
Long term liabilities	-	-	(816)	(816)
Inter Fund Balances (loans)	(3,255)	-	3,255	-
Long term liabilities	4,461	344	24,662	29,467

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

16. ANALYS OF MOVEMENTS ON FUNDS

	At 1 Sept. 2019	Income	Expenditure	Transfers	Gains/ (Losses)	At 31 August 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General reserve	24,662	24,126	(25,139)	(3,248)	-	20,400
Restricted funds						
Scholarship and Prize Funds	344	144	(140)	(7)	1	342
Permanent endowment	4,461	-	(84)	(3,255)	-	7,632
Total Funds	29,467	24,269	(25,363)	-	1	28,374

For the year ended 31st August 2019:

	At 1 Sept. 2018	Income	Expenditure	Transfers	Gains/ (Losses)	At 31 August 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds						
General reserve	23,208	25,775	(24,850)	529	-	24,662
Bursary Fund	224	2	-	(226)	-	-
	23,432	25,777	(24,850)	303	-	24,662
Restricted funds						
Scholarship and Prize Funds	636	144	(148)	(303)	15	344
Permanent endowment	4,545	-	(84)	-	-	4,461
Total Funds	28,613	25,921	(25,082)	-	15	29,467

Scholarship and Prize Funds: Donations accounted for as part of this fund must be used for scholarships and/or prizes, as dictated when the funds were created.

Permanent Endowment Fund: These relate to the inalienable capital of the Charity, as set out in its Charitable Deed. The income derived from the use of the assets which underpin the Capital Funds may be used for any purpose and is therefore shown as income of Unrestricted Funds.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

17. PENSION SCHEMES

Retirement benefits to employees of the Charity are provided through a defined benefit scheme and a defined contribution scheme, which are funded by the Charity's and employees' contributions.

Defined benefit schemes

Teachers' Pension Scheme (the "TPS")

The School participates in the Teachers' Pension Scheme for its teaching staff. The pension charge for the year includes employer contributions payable to the TPS of £2,071k (2019: £1,433k) and at the year-end £251k was accrued in respect of contributions to this scheme (2019: £nil).

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

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

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

On 27 June 2019 the Supreme Court denied the Government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. 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.

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

17. PENSION SCHEMES (continued)

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.

Non-teaching staff - Defined contribution scheme

This is a money purchase group personal pension scheme. Basic contributions are between 3-5% for the employee and 5% - 10% for the employer. The employer's contributions are charged in the Statement of Financial Activities in the period in which the salaries to which they relate are due. The employer's contributions in the year amounted to £303k (2019: £282k). At the year-end £40k was accrued in respect of contributions to this scheme (2019: £nil).

18. SUBSIDIARY

The charity owns all of the issued share capital of Stamford Endowed Schools Enterprises Limited, a company incorporated in England (company number: 2629879, registered office: 17 St Paul's Street, Stamford, PE9 2BE). This company carries out trading activities on behalf of the Charity.

Stamford Endowed Schools Enterprises Limited had a turnover of £568k (2019: £860k) and made a gross loss of £34k in the year (2019: profit £120k). At 31 August 2020 the company had shareholder's funds of £26k (2019: £60k).

Related Party Transactions

During the year, Stamford Endowed Schools charged Stamford Endowed Schools Enterprises Limited £5,000 (2019: £5k) for property rental.

The balance owed to Stamford Endowed Schools at 31 August 2020 was £422k (2019: £308k); there is no amounts due under the deed of covenant (2019: £110,645).

19. FINANCIAL ASSETS AND LIABILITIES

	2020	2019
	£'000	£'000
Financial Assets measured at fair value through profit or loss (a)	292	292
Financial Assets measured at amortised cost (b)	3,521	866
Financial Liabilities measured at amortised cost (c)	5,830	3,043
(a) Includes investment assets		
(b) Includes cash, trade debtors, other debtors and accrued income		
(c) Includes trade and other creditors, fees in advance from scheme, accruals and bank loans and overdraft		

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

20. CONNECTED CHARITIES

Name	Stamford Endowed Schools Foundation	Clapton Memorial Prize for Modern Language
Principal Contact Address	Brazenose House St Paul's Street Stamford PE9 2BS	Finance Office 17 St Paul's Street Stamford PE9 2BE
Relationship with Stamford Endowed Schools	Provision of Funds for the purchase of capital items and bursaries for Stamford Endowed Schools	Provision of Funds for prizes for Stamford Endowed Schools
Principal Transactions	Provision of bursaries, grants and loans	Provision of prizes
Name	R S De Bruyn Memorial Bursary	Edward Clapton Prize
Principal Contact Address	Finance Office 17 St Paul's Street Stamford PE9 2BE	Finance Office 17 St Paul's Street Stamford PE9 2BE
Relationship with Stamford Endowed Schools	Provision of Funds for bursaries for Stamford Endowed Schools	Provision of Funds for prizes for Stamford Endowed Schools
Principal Transactions	Provision of bursaries	Provision of prizes

21. INALIENABLE FIXED ASSETS

Under the terms of the Charity Deed the following assets are stated to be inalienable to the Charity:

Stamford

Land encompassing and including:

Bursars' Office
Principal's House
Browne House
Dining Hall
Chapel
Oswald Elliott Hall
Performing Arts Centre
Music School
Byard House

St Martin's Without

Land encompassing and including:

Main School
St Michael's Boarding House
Park House
The Music School
Welland House
Junior School
School Fields

STAMFORD ENDOWED SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

St Peter's House
 Southfields House
 Lower and Middle School
 Squash Courts
 Cricket Pavilion
 Site of former outdoor Swimming Pool
 Brazenose House
 School Library
 Clapton House
 Beaufort House
 Science School
 Art School
 School Fields

All of the inalienable properties are used either directly or indirectly in the provision of educational services. The buildings vary in age, many of them being 200-300 years old.

22. RELATED PARTY TRANSACTIONS

Goods and services were obtained by the charity from companies associated with the following Governors. As at 31 August 2020 £475 was due to related parties (2019: £1,350).

Company	Governor	Relationship	2020	2019
			£	£
Local Living Ltd	N Rudd-Jones	Director	1,905	2,315

The children of staff and Governors may attend the School, subject to the normal entry procedures. In such cases, Governors pay School fees at the standard rates, but staff members receive a discount.

23. POST BALANCE SHEET EVENTS

As part of the on-going response to Covid-19, on 5th January 2021 the Government required schools in England to physically close and to move to delivering teaching remotely to all pupils, other than the children of critical workers and vulnerable children. The School physically re-opened to all pupils on 8th March.

The Governors continue to monitor the financial and other consequences of Covid-19, and the impact of the virus is recorded as one of the principal risks on the School's risk register.