

The Francis Holland (Church of England) Schools Trust

(Company Number 257981)
(Registered Charity Number 312745)

Annual Report and Financial Statements

Year ended 31 August 2018

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The Francis Holland (Church of England) Schools Trust
Annual Report
Year ended 31 August 2018

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The Francis Holland (Church of England) Schools Trust
Registered office and advisors

Registered Office:

Francis Holland (Church of England) Schools Trust
35 Bourne Street
London
SW1W 8JA

Bankers:

National Westminster Bank PLC
2 Sloane Gardens
London
SW1W 8DL

Solicitors:

Veale Wasborough Vizards
Orchard Court
Orchard Lane
Bristol, BS1 5WS

Auditor:

haysmacintyre
10 Queen Street Place
London, EC4R 1AG

Insurers:

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

SFS Group
Spring Court
Station Road
Dorking
RH4 1EB

Investment advisors:

Rathbones Investment Management
8 Finsbury Circus
London, EC2M 7AZ

The Francis Holland (Church of England) Schools Trust

Council Report (incorporating the Strategic Report)

For the year ended 31 August 2018

MEMBERS OF THE COUNCIL

The following are the current serving members of the Council:

Mrs M Winckler	2,3,4,5,6	Chairman
Mrs A Edelshain	3,4,5,6	Vice-Chairman
Mr R Backhouse	1	
Mr G Bennett	2	
Rev Dr M Bowie	1	
Mrs J Briggs	3,6	
Mr M Cuthbert	2	
Mr D Dowley	3	
Mr A Fincham	4	
Dr C Gwenlan	1	
Dr M Harrison	1	
Mrs A O'Keefe	5	
Prof J Parry	5,6	
Mr I Ramsay	2,4,	
Mrs N de Renzo	2	
Lady R Robathan	5	
Miss S A Ross	1,3,4,6	
Dr H A Spoudeas	1	
Mr G Stead	2	

The following changes to membership have occurred since 1 September 2017:

Mr R Backhouse	Appointed	28 th June 2018
Mr M Cuthbert	Appointed	5 th December 2017
Ms A O'Keefe	Appointed	5 th December 2017
Mr A Beevor	Resigned	6 th July 2018
Mr J Hawkins	Resigned	6 th July 2018
Mrs S Honey	Resigned	21 st June 2018
Mr R Owen	Resigned	15 th December 2017
Ms C Black	Resigned	30 th September 2018

OFFICERS

The Heads	L R Elphinstone M.A. – Sloane Square School C Fillingham M.A. – Regent's Park School
Bursar and Chief Operating Officer	G T D Wilmot B.A. A.C.A.
Company secretary	G T D Wilmot B.A. A.C.A.

- 1 Education Committee
- 2 Finance and Estates Committee
- 3 Governance and Nominations Committee
- 4 Remuneration and Human Resources Committee
- 5 Development Committee
- 6 Chair's Committee

The Francis Holland (Church of England) Schools Trust

Council Report (incorporating the Strategic Report)

For the year ended 31 August 2018

The Eighty Eighth Report of the Council (incorporating the Strategic Report) for the year ended 31 August 2018 will be presented at the Eighty Sixth Annual General Meeting to be held at Sloane Square on 14 March 2019.

CONSTITUTION

Francis Holland (Church of England) Schools Trust is a company limited by guarantee and a registered charity.

PRINCIPAL ACTIVITIES

The principal activities of the charitable company continue to be the provision of education for girls, including religious instruction in accordance with the principles of the Church of England.

The Charity

The Trust, founded in 1878, is registered with the Charity Commission under charity number 312745 and is a company limited by Guarantee as number 257981 at Companies House. The Trust is responsible for three schools operating from two sites: a senior school at Regent's Park founded in 1878 and both a senior and a junior school at Sloane Square founded in 1881.

Governing Document

The charity is governed by the Memorandum and Articles of Association most recently amended on 25 February 2017.

Charitable Objects

The Trust's objects as described in the Memorandum of Association are to provide for and carry on in the United Kingdom public day and boarding schools for the education of girls, to provide religious instruction and training therein in accordance with the principles of the Church of England, and generally to foster education and moral and religious training therein. The Members of the Council, as the charity Trustees of the charity, have paid due regard to the Charity Commission guidance on public benefit. The Members are satisfied that the charity's aims and activities are in accordance with the regulations on public benefit.

Aims

With these Objects in mind, the Trust's aim is to provide a broad and stimulating independent education, both through strong academic tuition, and through developing wider sporting, artistic and social skills in all its pupils. This is intended to provide an environment where each pupil can develop and fulfill her potential, thus to build self-confidence and to contribute to the wider community.

The schools aim to establish efficient lines of communication with parents and involve them, whenever practicable, in their daughters' school career. The schools are supported by active Parents' Associations, Friends and Old Girls' Associations.

Governing Body

The structure of the charity consists of a single governing body, entitled the Council, responsible for the schools. The Members of the Council, as the Charity Trustees and Directors of the Charitable Company, are legally responsible for the overall management and control of the Regent's Park and Sloane Square Schools. There may be up to twenty-four Members but, typically, Council numbers are maintained in the region of twenty.

Recruitment and Training of Governors

The Council maintains a standing Governance and Nominations Committee that is responsible for recruiting potential candidates for appointment as Trustee. Nominees are considered with regard to the need to maintain a broad balance of disciplines, backgrounds, sex and age and religious and cultural diversity. From time to time, according to the articles of association, recommendations are put forward to the Council for approval and appointment.

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Recruitment and Training of Governors (continued)

On appointment all new Trustees are inducted into the workings of the charity and its schools through the provision of a comprehensive Governors' Handbook, by the Heads and the Chief Operating Officer and through periodic governor workshops and seminars. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. Trustees visit the schools on a rota basis, observing lessons, meeting staff, participating in Health & Safety walk-arounds and are encouraged to attend school events.

Organisational Management

During the year the Council met three times. Committee meetings take place regularly. The Education Committee is chaired by Miss Sue Ross and met three times during the year. The other principal committees are the Finance & Estates Committee chaired during the year by Mr Ian Ramsay, the Remuneration and Human Resources Committee chaired by Mrs Alison Edelhain, and the Governance and Nominations Committee chaired by Mrs Jennifer Briggs, and before that Antony Beevor. The Finance and Estates Committee met four times during the year, the Governance & Nominations Committee met twice during the year as did Remuneration and Human Resources Committee. The Development Committee, chaired by Prof Jon Parry, oversees and supports the various development projects that are integral to the Trust achieving its objectives in the longer term and met twice during the year. The Chair's Committee also met twice in the year and helps with communication across the sub-committees.

The schools' policies are reviewed regularly by the Committees and subject to approval by Council. Working groups are formed for particular projects as necessary. The day to day running of each school is delegated to the respective Heads and their Senior Leadership Teams, and the Chief Operating Officer, supported by Bursary staff servicing each school.

The Trustees and the Officers of the Trust are key management personnel. The remuneration of the Officers of the Trust is set with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the success of the schools. The appropriateness and relevance of the remuneration policy is reviewed periodically, including reference to comparisons with other independent schools to ensure that the Trust remains sensitive to issues affecting pay and employment conditions in both the national and local markets. The Trustees are not remunerated.

STRATEGIC REPORT

Achievements and Performance in the Year

Strategic objectives for the Year

The Trust has continued to focus on the delivery of the best possible education and learning environment to equip girls to lead happy and productive lives, develop character, resilience, creativity and enterprise to adapt to the challenges and opportunities of adulthood, widening access to the education provided by the schools and improving and modernising the built environment.

Strategies to Achieve the Year's Objectives

The strategies employed to meet those objectives included:

- provide a balanced, challenging and stimulating curriculum and co-curricular activities encouraging innovation, critical thinking and emotional intelligence and an outward looking international perspective;
- support the quality of teaching and learning and pastoral care;
- monitor the educational and pastoral provision within the schools;
- share best practice and improving the quality of the working environment;
- support and encourage the recruitment and retention of good quality staff;
- consolidate and improvement of financial performance;
- develop opportunities for and capacity of the Trust to generate income;

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Strategies to Achieve the Year's Objectives (continued)

- oversee compliance with statutory obligations and proportionate risk management;
- consolidate compliance with the public benefit requirement – seek optimum opportunity for outreach with local state schools and enhance ability to increase means tested remissions through fundraising;
- optimise use of ICT and digital technology;
- incorporate environment and sustainability issues within decision making, policies and practices;
- identify and explore opportunities to renew and develop space and facilities;
- initiate affordable development of the built environment in which the Trust operates.

Public Benefit

Access to the resources and facilities of the Trust through fee remissions

The Trust is committed to ensuring that the education provided is not restricted to those who can afford the school fees. The Trust has the ability to offer a number of bursaries. The beneficiaries of these awards can receive a reduction in fees charged of up to 100% of fees, in addition to financial assistance with other associated costs of schooling. The appropriateness and adequacy of these awards is reviewed annually as is the overall affordability and the impact these awards have on the financial standing of the Trust.

In addition to these awards, each school makes efforts to improve the take up of annual scholarship awards that are based on all-round academic potential or potential in specific fields including music and art. Other assistance is afforded to the daughters of Clergy and members of staff.

This year, the value of scholarships, bursaries, grants, prizes and other awards made to the schools' pupils out of unrestricted funds was £962,000 (2017: £1,021,000), the equivalent of 4.6% (2017: 5.1%) of fee income as set out in note 5 to the accounts. The Trust acknowledges that it is unlikely to be able to provide for the cost of increase of these awards purely from the fees paid by fee paying parents. Donations are required in order to ensure the long term financial viability of our commitment to increase bursaries.

Use of resources and facilities of the Trust alongside pupils of Trust schools

In addition to providing financial support to pupils who might otherwise have been unable to afford fees, the Trust also provides access to the resources and facilities of the schools to girls from other schools for whom the fees are unaffordable. Regent's Park and Sloane Square Senior Schools, and Sloane Square Junior School, have consolidated and developed partnerships with local schools.

Regent's Park developed the ongoing partnership with St Marylebone School with an open invitation to girls and teachers to the "Women of Influence" lecture series which runs in assemblies in the Spring Term and the "focus fortnight" in the Autumn Term, this year the topic was "Work, Rest and Play". Lectures on subjects such as "The Workplace of the Future" were well-attended by girls from both St Marylebone School and King Solomon Academy. Guest speakers included the Shadow Secretary of State for the Home Office Ms Diane Abbott MP.

During the year the Sloane Square Senior School consolidated its partnership with the Chelsea Academy. Pupils from the Academy were encouraged to participate in and benefit from a number of academic and enrichment activities run by the School. As a result of this initiative instrumentalists from the Chelsea Academy were invited to join the FHS orchestra and pupils from the Academy were invited to STEM lectures. Oxbridge interview practice was provided for their History applicant by the Head of History at Sloane Square. A number of Year 7 pupils from the Chelsea Academy and Capital City Academy attended the final day of "Thinking Innovatively and Problem Solving" week. Pupils from both of these schools had the opportunity to collaborate in a Film Academy workshop with FHS pupils to "Make a Film in a Day".

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Use of resources and facilities of the Trust alongside pupils of Trust schools (continued)

The annual Masterclass event for Sixth Form pupils during the Spring Term, including sessions on gravity, the dangers of everyday drugs, modern poetry, and a session provided by an external speaker on the neuroscience behind expert memorizing was attended by just over 100 pupils, including girls from Chelsea Academy, Lady Margaret School, Skinner's Academy, Stoke Newington School, Our Lady's Convent School, Westminster City School and The City Academy. Several Sixth Form pupils from Chelsea Academy and Lady Margaret School joined an English trip to Shakespeare's Globe to see Hamlet in May.

In late November around 50 pupils including girls from state schools across London worked alongside pupils from Sloane Square during an afternoon of Oxbridge interview preparation. The Autumn Term Literary Society lectures attracted pupils from other local schools, including Chelsea Academy and Lady Margaret's School. The first given by Dr Charlotte Grant from New College of Humanities attracted pupils from Chelsea Academy and girls from Lady Margaret's School. The final lecture of the series, given by Professor Claire Preston of Queen Mary's, was attended by around 30 girls from Lady Margaret School. Similarly, Regent's Park hosted an Oxbridge preparation day in June 2018.

The Junior School at Sloane Square embedded its partnership with the local St Barnabas Church of England Primary School providing a weekly book club for a small group of Year 5 and 6 pupils. The initiative developed into a creative writing 'Extension English' class, commended in St. Barnabas's recent Ofsted Inspection as a fantastic example of stretching the more able, and overall an excellent model of how schools can support one another. The St Barnabas Head reported a marked improvement in the levels of attainment for pupils involved. Existing class sets of books were lent to St Barnabas pupils to read over school holidays. A Book Week included gifts of books distributed to Years 4, 5 and 6 to St Barnabas, followed by schemes of work and books used as set texts – a particularly welcome initiative for St Barnabas which had been unable to change their set texts for several years due to financial constraints.

During the Spring Term the Junior School hosted a 'pop-up book swap/buy event' in the playground attended by St Barnabas pupils and followed by the donation of good quality books to St Barnabas. Following work on writing metaphor poems, the Art Department ran a session for the pupils of St Barnabas to illustrate their poems and turn them into Mother's Day cards.

Sharing access to the resources and facilities of the Trust with local schools

The Classics department at Regent's Park supports pupils from Kelmscott School, St. Marylebone School and Camden School for Girls with Latin, Greek and Ancient Greek. A three day workshop held in summer 2017 resulted in teachers from Kelmscott School introducing Ancient Greek to the curriculum at their School. On-going, weekly support is provided by Regent's Park. The Classics department also continued to provide help and support to Latin students with a GCSE revision course. In the absence of spare capacity at St. Marylebone School to offer Latin in Year 8, Regent's Park stepped in to run after school lessons every week. The project began in September 2017 and is on-going. Help and support was provided to pupils studying Classics at Camden School for Girls including interview practice for Oxbridge candidates.

Regent's Park collaborated with City & Islington Sixth Form College during the Autumn Term to provide a joint A-level Chemistry Seminar for girls (and boys) which discussed an academic article on the Chemistry of paper. The collaboration included an invitation for Regent's Park to two talks during the school year: one on sustainable fuels and the other on a career in medicine given by a GP.

A teacher from Regent's Park runs a 'Philosophy for Children' course at Holy Trinity and St Silas Primary School one afternoon each week with the purpose of encouraging philosophical enquiry in young minds amongst pupils, including girls.

Regent's Park teachers attended the twice yearly meetings of the St Marylebone Teaching School Alliance - a partnership across secondary and primary schools to boost the teaching of foreign languages, which project benefits pupils of all ages, girls (and boys) including at primary level.

Led by their teacher, members of the Feminist Society at Sloane Square gave a presentation to the whole of Year 12 at Chelsea Academy (approximately 150 pupils, including girls). As a result of the presentation 20 pupils signed up for the society, resources were shared and the teacher continues to provide weekly support to the new society at Chelsea Academy.

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Sharing access to the resources and facilities of the Trust with local schools (continued)

The Director of Sixth Form and Head of Years 12 and 13 shared resources including notes from the annual HMC/GSA Sixth Form conference with their counterparts at Chelsea Academy. Staff from the Chelsea Academy attended the "International Women's Day" event at Sloane Square in March. In March five of the Chelsea Academy governors visited Sloane Square to meet members of the Senior Leadership Team and observe some lessons. Teachers from other schools including the Chelsea Academy attend the weekly Academic Reading Group of teachers at Sloane Square. CPD benefit was reported by three teachers from St Barnabas, who observed the 'Extension English' lessons during the year at the Junior School.

The Headmistress at Sloane Square has established a link with a secondary school in Tanzania called Mvumi which educates about 700 pupils and has the only unit for visually impaired children in Africa. The partnership developed to generate bursaries for four pupils, with initial contact made to explore the scope for pupils at Mvumi to benefit from Sixth Form or Gap placements for Sloane Square pupils.

Access to the resources and facilities of the Trust amongst the community

The facilities of both schools are made available to other organisations for activities such as swimming, netball, gymnastics and (via Carmel Hall) drama, so far as possible without charge. Every week during the school year girls (and boys) from St George's School and St Edward's Catholic Primary School take swimming lessons in the Regent's Park pool; both local schools otherwise unable to offer swimming lessons to their pupils.

Community engagement and charitable work of pupils of the Trust schools

Throughout the school year on a Saturday four or more pupils supported a Musical Therapy group for children with special educational needs at the charity In-Deep. Three pupils helped with a homework club for refugees at the Katherine Low Settlement. The feedback from each initiative was very positive. Volunteering placements continued throughout the year at St. Barnabas, with at least two pupils each week helping other girls (and boys) with many aspects of their school work including homework, circuit training, gardening, computing, lego, and drama.

Activities in the year - Regent's Park

An average of 497 (2017: 493) girls attended the School in the year and benefited from the friendly and supportive atmosphere.

Exam Results

A Level: At A level 76% (2017: 85%) of subjects were graded A* to B. 23% of subjects were graded A* at A level. This is the highest figure ever for the School. The pass rate was 99.4% (2017: 100%). Given the linear nature of the new A levels and the increased difficulty of the courses, these results are impressive. There is additional academic provision through Extended Projects that each equate to ½ A Level. This has once again been highly successful, with 99% (2017: 100%) A* and A grades again in 2018. Four pupils were successful in their applications to Oxbridge.

GCSE: The proportion of A* and A grades was 75% (2017: 79%). 98% of papers were marked A* to C (2017: 99%).

Co-Curriculum

Pupils are encouraged to extend their intellectual curiosity and creativity, both in the classroom and through the lively extra-curricular schedule of over 90 weekly clubs covering everything from drama, arts, sport, science and music. Conventional clubs such as cookery, chess, debating, Amnesty International, equestrian club, Mandarin Chinese (beginners and advanced) and junior science club are complemented by more eclectic extra-curricular activities such as a cheerleading club, British Sign language club, mythical monsters club and Globe-trotters.

Drama

There are school plays every term and Theatre Studies A level productions make an important contribution to school drama every April / May. The Inter-form Drama Competition is held every January with the finals taking place in February; this annual competition involves every form group in the school who perform and produce a 20 to 30 minute play of their choice (sometimes written by pupils themselves). Almost 40% of the school take speech and drama lessons in addition to extra-curricular drama clubs and the drama lessons taught within the curriculum.

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Activities in the year - Regent's Park (continued)

Music

The music department continues to cater for pupils across the age range and approximately 70% of the pupils have additional instrumental / singing lessons in the school, beyond curriculum lessons. There are approximately twenty concerts per year, including a large annual Easter choral concert performed with Harrow School.

Sports

The sporting provision is seen as a vital part of the all-round education provision helping the girls to learn the values that will assist them throughout their lives. In this respect, the school recognises the importance of both team and individual sports. Several pupils are county and national level players in sports such as swimming, netball and athletics.

Activities in the year - Sloane Square Senior School

The average of 371 senior girls and 163 junior girls (2017: 358 and 164) who attended the School in the year benefited from the strength and breadth of academic and co-curricular opportunities.

Exam Results

A Level: Academic achievement continued its upward trend. The 2018 A level results (80% A* to B) are the best achieved in recent history, and represent exceptional support to all students, particularly those of weaker academic ability. The pass rate was again 100%. Given the linear nature of the new A levels and the increased difficulty of the courses, these results are impressive, particularly in view of the average cognitive score of the pupils. Once more every student achieved A*/A in the Extended Project Qualification. Half the students applying to Oxbridge were successful, and degree courses in the United States and in Europe continue to be increasingly popular.

GCSE: 2018 saw the widespread introduction of numerical grades and harder content in the syllabuses. For the first time, a higher grade 9 was introduced, the so-called A**. Since many of our GCSE courses are IGCSEs, our results show a mixture of numbers and alphabetical grades. The results were again very strong with 84% 9-7, A*/A grades (2017 85%) and 63% 9/8/A*. This represents a value added of about one grade. As usual, almost all grades in Physics, Biology and Chemistry were A*, as were History and Spanish. In English Language an extraordinary 50% of grades were grade 9.

Co-Curriculum

The co-curricular timetable plays an important role in challenging the girls and helping them to develop character, resilience and adaptability beyond the classroom. In keeping with the Christian foundation and ethos, service to the wider community is central to our aims and there is a vibrant programme of support and help to many local charities and organisations. Enterprise and creativity are particularly fostered and pupils are encouraged to develop the skills and attributes needed for a fast-changing technological world, and increasing numbers are being mentored to set up their own businesses.

The School also strives to encourage a genuine love of learning and a curiosity about the world in the girls and the co-curricular timetable with over 100 clubs and societies and many lectures helps to achieve this aim. Other co-curricular activities include the Duke of Edinburgh scheme, the Exploration Society, the Young Enterprise programme and the Leadership development programme, all of which help foster the skills and confidence necessary to lead and work in a team. Debating and public speaking have become a strength of the school through a programme to provide training to every pupil. A Mindfulness programme in both Junior and Senior schools continues to help pupils to deal with anxiety and stress and boost well-being, with many of the staff being trained in teaching the techniques. A wellbeing suite has been opened within the School to house Place2Be counsellors and provide support four days a week. Resilience and the ability to fail well are emphasized both in and outside the classroom.

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Activities in the year - Sloane Square Senior School (continued)

Drama

Girls are encouraged to explore drama through different time periods and cultures with an understanding of traditional and contemporary techniques. It is an inclusive subject - not only one that forms a part of the curriculum but also one that helps develop the sense of community. A growing number of pupils take individual or group speech and drama lessons which build confidence and encourage empathy. In addition, numbers electing for curriculum Drama have grown quickly in the past two years, with exceptionally strong GCSE and A level results. Students in the Sixth Form run their own theatre company, and GCSE Drama students participate in the national Shakespeare for Schools Festival. A significant 'first' was a performance of the school musical, *The Snow Queen*, in the West End, at the Shaftesbury Theatre, which was attended by an audience of 600. Several students have won places on the prestigious Royal Court Young Directors' scholarship programme.

Music

The Church of England foundation of the School means that music has always played an invaluable role in the spiritual and emotional life of its community. Massed choirs of pupils, staff and parents perform together in a concert each Spring. Most days start with hymn-singing within a reflective Christian assembly which is accessible to all faiths and none. An array of bands, orchestras and choirs give all children the opportunity to develop their musical skill and find a love of performance in the frequent concerts. Public performances in London and tours at home and abroad extend that pleasure to many, and in particular to the elderly and sick. In particular, the Senior Chamber Choir has sung Choral Evensong in several cathedrals and churches around the UK, including St George's, Windsor and Wells Cathedral.

Ballet

The aim of ballet within the School is to inspire and nurture a love of classical ballet, its history and traditions and associate arts. Ballet is a compulsory element in the curriculum until the end of Year 3. All pupils are encouraged to achieve their personal best and many find that ballet has benefits for their confidence and posture. Ballet is taught to the highest standards at school and was described as being 'of excellence' in the last ISI inspection report. The school achieves a 100% success rate in examinations, with almost universal achievement of distinction, and a number of exceptionally talented pupils now attend the Royal Ballet School Associate Programme. Ballet students performed again in the prestigious prize giving event in the Cadogan Hall, and in the West End musical.

Sports

The PE department continues to contribute to the development of the physical and mental resilience of the girls at the school through an ever-widening programme of competitive sport and varied opportunities for fitness from yoga and pilates to rowing and boot camp. The department encourages the development of courage, character and resilience through enthusiastic participation in matches – win or lose. That said, the success rate of teams at all levels is exceptional, with regional success in tournaments this year in swimming, netball, cricket and cross country. Of particular note is that pupils participate in PE right through to the end of Year 13. A number of girls compete at national and international level in swimming, diving, fencing, gymnastics, eventing, skating, skiing and rowing.

Activities in the year - Sloane Square Junior School

The Junior school gives priority to fostering the care and awareness of the needs of others both at the school and in the wider community. Parents know the school has an 'open door' policy and they are kept well informed at all stages of their daughter's development. The School has a record of excellent results at 11+ and the pupils benefit from specialist teachers and facilities that are available from the close links with the Senior school. The 2017 Independent Schools Inspectorate report described the quality of the pupils' personal development as 'excellent'.

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Principal Risks and Uncertainties

The principal risks to which the charity is exposed are considered to be:

- Health and safety of pupils, staff and volunteers
- Continuity of education by the Trust
- Financial sustainability of the Trust
- Reputation and brand of the Trust

The Senior Leadership Team and the Bursar assist the Council with the management of risk. When additional risks are identified then they are delegated to the Committee that best provides the relevant skills and experience to assess them and establish a system of controls necessary for their management. The Council are responsible for maintaining the risk profile document which, together with the risk management processes, are reviewed formally on an annual basis.

The risk management strategy comprises:

- an annual review by Council of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Key controls include:

- vetting procedures, as required by law, for the protection of the vulnerable
- formal written procedures
- formal agendas for all Committee and Council activity
- detailed terms of reference for all Committees
- regular strategic planning, budgeting and management accounting
- clear authorisation and approval levels

Financial Review

The financial results of the Trust for the year ended 31 August 2018 are as set out in the Statement of Financial Activities on page 15 of the Financial Statements. The charity returned a surplus before unrealised gains and transfers between reserves of £1,721,000 for the year (2017: £2,586,000), including net restricted income of £174,000 (2017: £1,024,000). Restricted income will be applied in the current financial year where appropriate.

Also during the year capital expenditure of £4,372,000 (2017: £1,091,000) was incurred enhancing the fabric of the buildings and improving the facilities available at the Schools.

Reserves

During the year the main financial risks to which the Trust is exposed were re-evaluated. As a result of this exercise the minimum level of reserves required to safeguard against uninsured financial risks was increased to £2m, previously set at £1m. At 31 August 2018 the Trust had total funds of £31,919,000 (2017: £30,198,000). Of this total £420,000 (2017: £831,000) is represented by funds over which there are restrictions on the way they can be used. A further £28,320,000 (2017: £25,037,000) is represented by tangible fixed assets and could only be realised by the disposal of these assets. The Trust also has contractual commitments relating to building works of £1,954,000 (2017: £4,540,000) as set out in note 19 to the accounts. The Trust's liabilities include £1,819,000 (2017: £1,577,000) represented by fee deposits repayable that are included in amounts falling due after more than one year and which are offset against reserves.

At the balance sheet date the total value of reserves, after adjusting for restricted and capital reserves, contractual commitments relating to building works and fee deposits repayable after more than one year, was £3,044,000 (2017: £1,367,000). The level of reserves is currently £1,044,000 above the £2m minimum level (2017: £367,000 above the then £1m level) required by the policy and is in principle available to provide finance towards, for example, expenditure on building projects and bursary funds.

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Investments

Under the Memorandum and Articles of Association, the charity has the power to invest any funds not immediately required in such investments, securities or property as the Trustees wish. As at 31 August 2018 approximately £3,000,000 (2017: £1,403,000) was held in cash and unit trusts with Rathbones, the Trust's appointed investment manager. In addition to this, the Trustees have operated a policy of keeping available funds in an interest bearing deposit account.

Fundraising approach and performance

The Trust is committed to the highest standards of conduct in all its activities related to fundraising and development, as set out in the Trust Development policy. The Trust is registered with the Fundraising Regulator and undertakes fundraising activity in line with the Fundraising Code of Practice set by the Regulator. Fundraising activity is concentrated on fundraising events and postal campaigns which are supported with email and telephone correspondence. All fundraising initiatives are carried out by employees of the Trust. No complaints were received in the year.

Future Plans

A Governors' Strategy Plan for 2019-2022 was reviewed by Council in November 2018. This document remains in continuous development. Further consideration will be given to aspects of the individual school improvement plans.

Key objectives include:

- To deliver our mission statement within the context of our charitable status with good management and governance, providing bursaries to enhance social access.
- To provide excellent facilities and resources within high quality buildings.
- To achieve the highest standards of academic attainment and pastoral care for all girls in both schools.
- To recruit and retain staff of the highest calibre.
- To be known for co-curricular excellence, whilst offering a wide range of opportunities beyond the classroom.
- To create the context in which to enhance the schools with long term strategic development.

Auditor

A resolution for the appointment of haysmacintyre will be proposed at the forthcoming annual general meeting.

The Council Report, which includes the Strategic Report, was approved by Council on 6 December 2018.

ON BEHALF OF THE COUNCIL



Marie Winckler
Chairman

35 Bourne Street
London, SW1W 8JA

The Francis Holland (Church of England) Schools Trust

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Council Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 and 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 requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Member is aware, there is no information needed by the auditor in connection with preparing the audit report of which the auditor is unaware. Each individual member has taken all the steps that he/she ought to have taken as a Member in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent auditor's report to the members of The Francis Holland (Church of England) Schools Trust

Opinion

We have audited the financial statements of The Francis Holland (Church of England) Schools Trust for the year ended 31 August 2018 which comprise Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 August 2018 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

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

Independent auditor's report to the members of The Francis Holland (Church of England) Schools Trust

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Council Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Council Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

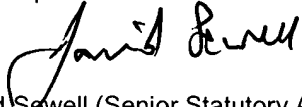
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Council Report (which incorporates the strategic report and the directors' report).

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

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

Use of our report

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


David Sewell (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

Date: 14 December 2018

10 Queen Street Place
London
EC4R 1AG

The Francis Holland (Church of England) Schools Trust

Statement of Financial Activities Incorporating income and expenditure account For the year ended 31 August 2018

	Notes	Unrestricted Funds General £'000	Restricted Funds £'000	2018 £'000	2017 £'000
INCOME FROM:					
Charitable activities					
School fees	5	20,479	-	20,479	18,978
Raising funds					
Investment income and interest	6	34	-	34	43
Donations	15	-	579	579	1,100
Trading income		32	-	32	44
Total income		20,545	579	21,124	20,165
Expenditure on:					
Raising funds:					
Fundraising and Development		106	-	106	85
Charitable Activities					
Education	7	18,892	405	19,297	17,494
Total expenditure		18,998	405	19,403	17,579
Net income before transfers and investment gains					
		1,547	174	1,721	2,586
Gain on investments	11	-	-	-	16
Transfers between funds	15	585	(585)	-	-
Net movement in funds		2,132	(411)	1,721	2,602
Funds at 1 September 2017		29,367	831	30,198	27,596
Funds at 31 August 2018		31,499	420	31,919	30,198

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 19 to 31 form part of these financial statements.

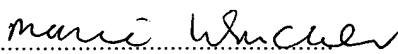
Full comparative figures for the year ended 31 August 2017 are shown in note 23.

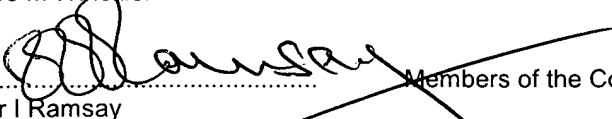
The Francis Holland (Church of England) Schools Trust
Balance Sheet
As at 31 August 2018
Company Number 257981

		<u>2018</u>	<u>2017</u>
	<u>Note</u>	£'000	£'000
Fixed Assets			
Tangible fixed assets	9	28,320	25,037
Investment property	10	685	685
Listed investments	11	3,000	-
		<hr/>	<hr/>
		32,005	25,722
Current Assets			
Debtors	12	626	504
Short term deposits		4,065	6,637
Cash at bank and in hand		1,171	4,097
		<hr/>	<hr/>
		5,862	11,238
Current Liabilities			
Creditors: amount falling due within one year	13	(4,129)	(4,005)
		<hr/>	<hr/>
Net Current Assets		1,733	7,233
		<hr/>	<hr/>
Total Assets Less Current Liabilities		33,738	32,955
Creditors: amount falling due after more than one year	13	(1,819)	(2,757)
		<hr/>	<hr/>
Net assets		31,919	30,198
		<hr/> <hr/>	<hr/> <hr/>
Funds			
Unrestricted General Funds	14	31,499	29,367
Restricted Funds	15	420	831
		<hr/>	<hr/>
		31,919	30,198
		<hr/> <hr/>	<hr/> <hr/>

Note: Funds include a cumulative unrealised gain of nil (2017: £nil) arising on revaluation of investments and a gain of approximately £500,000 (2017: £500,000) arising on the valuation of an investment property.

Approved and authorised for issue by the Members of the Council on 6th December 2018 and signed on their behalf:


 Mrs M Winkler


 Mr I Ramsay
 Members of the Council

The Francis Holland (Church of England) Schools Trust
Cashflow Statement
For the year ended 31 August 2018

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		£'000	£'000
Net cash flow from operations	(i)	3,210	4,423
Cash flows from financing activities			
Finance costs		(5)	(34)
Net cash used in financing activities		(5)	(34)
Cash flows from investing activities			
Payments for tangible fixed assets		(4,372)	(1,091)
Investment income and interest		34	26
Bank loan repayment		(1,365)	(185)
(Acquisition) disposal of investments		(3,000)	1,069
Net cash used in investing activities		(8,703)	(181)
Change in cash and cash equivalents in the year		(5,498)	4,208
Cash and cash equivalents at the beginning of the year		10,734	6,526
Cash and cash equivalents at end of the year		5,236	10,734
Reconciliation of net cash flow to movement in net funds			
Increase (decrease) in cash in the year		(2,926)	3,648
Increase (decrease) in liquid resources in the year		(2,572)	560
		(5,498)	4,208
Bank loan repayment		1,365	185
Net funds at 1 September 2017		9,369	4,976
Net funds at 31 August 2018	(ii)	5,236	9,369

The Francis Holland (Church of England) Schools Trust
Cashflow statement
For the year ended 31 August 2018

Notes to the Cashflow Statement

(i) Reconciliation of net cash inflow from operating activities

	<u>2018</u> £'000	<u>2017</u> £'000
Net income	1,721	2,586
Depreciation	1,089	1,122
Investment income and interest	(34)	(26)
Finance costs	5	34
Increase in debtors	(122)	(31)
Increase in creditors	551	738
	<hr/>	<hr/>
Net cash inflow from operating activities	3,210	4,423
	<hr/> <hr/>	<hr/> <hr/>

(ii) Analysis of movement in net debt

	31 August <u>2018</u> £'000	<u>Cash flow</u> £'000	1 September <u>2017</u> £'000
Cash at bank and in hand	1,171	(2,926)	4,097
Liquid resources:			
Treasury reserve deposit	4,065	(2,572)	6,637
	<hr/>	<hr/>	<hr/>
	5,236	(5,498)	10,734
	<hr/>	<hr/>	<hr/>
Bank loan	-	1,365	(1,365)
	<hr/>	<hr/>	<hr/>
Total net funds	5,236	(4,133)	9,369
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

1 Company information

The Francis Holland (Church of England) Schools Trust is a company which does not have share capital and is limited by the guarantee of the Members to a maximum of £1 each. The Trust is governed by the Memorandum and Articles of the company. The Trust is a Public Benefit Entity registered as charity in England and Wales (charity number: 312745) and a company limited by guarantee (company number: 257981). The registered office is 35 Bourne Street, SW1W 8JA.

2 Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland ('FRS 102') – effective 1 January 2016. The financial statements have been prepared on the historic cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The standard format for the income and expenditure account as required by the Companies Act 2006 Part 1 of Schedule 1 to The Large & Medium-sized Companies & Groups (Accounts & Reports) Regulations 2008 has been adapted to provide more appropriate information which reflects the activities of the Trust.

The financial statements are presented in Sterling (£). The functional currency of the Trust is considered to be Sterling because that is the currency of the primary economic environment in which the Trust operates.

Going concern

After reviewing the forecasts and projections of the charity, together with the expected ongoing demand for places, the members have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and consider that there were no material uncertainties over the Trust's financial viability. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

3 Significant judgements and estimates

In the application of the accounting policies, Council 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 to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised 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. The items in the financial statements where these judgements and estimates have been made include:

- The estimated useful life of the fixed assets
- The valuation of the trade debt, expressed net of the provision for bad debt

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

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

4 Accounting policies

(a) Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The rates applicable are:

Freehold buildings	-	50 years
Fixtures, furniture and equipment	-	3 to 10 years
Long leasehold	-	4 to 99 years

Assets under the course of construction are not depreciated until brought in to use.

The Members of the Council review the schools' freehold and long leasehold buildings for impairment at the end of each financial year, in accordance with FRS 102. Assets costing more than £1,000 are capitalised.

(b) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is any indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

(c) Investment property

Investment property is included in the accounts at fair value. Fair value is based upon a valuation performed by an independent surveyor with a recognised professional qualification and recent experience in the location and class of property valued.

(d) Investments and investment income

Investments represent holdings in two publicly traded funds and are included in the financial statements at fair value. Changes in fair value are recognised in the Statement of Financial Activities. Fair value is established using the bid price at the balance sheet date. Investment income is accounted for when received and is apportioned between the Funds as below.

(e) Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Cash at bank and in hand

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

Debtors

Parent debtors are measured at transaction price, less any impairment. Parent and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs.

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

(f) Leases

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

(g) Provisions for liabilities

Provisions are recognised when the charity has a present obligation (legal or constructive) as a result of a past event, it is probable that the charity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

(h) Fees receivable

School fees are credited to income in the period for which they are receivable. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school from restricted funds but includes contributions received from endowment and restricted funds for scholarships, bursaries and other monies received from third parties. Fees that are received in advance of the academic year to which they relate are treated as creditors and released in the year to which they relate.

(i) Donations

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

Voluntary income for the Trust's general purposes 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.

(j) Investment Income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

(k) School expenditure

General educational expenditure is accounted for as incurred on the accruals basis and is charged directly to the expenditure category to which it relates. Expenditure attributable to more than one cost category in the Statement of Financial Activity 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.

(l) Pension costs

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

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

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

(m) **Pension costs (cont.)**

- ii. The Trust Group Personal Pension Plan – This is a defined contribution group personal pension plan with Friends Provident. Employer's pension costs are charged in the period in which the salaries to which they relate are payable.

(n) **Employee benefits**

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service was received.

Employee settlement benefits

Settlement benefits are accounted for on an accrual basis in line with FRS102.

(o) **Fund accounting**

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

Unrestricted funds

Unrestricted income belongs to the Trust's corporate reserves, spendable at the discretion of the Governors either to further the Trust's Objects or to benefit the Trust itself. Where the Governors decide to set aside any part of these funds to be used in future for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted funds

Restricted funds are certain legacies and donations to be utilised in accordance with the terms imposed by the donors.

5	Fees receivable	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
	Fees consist of:		
	Gross school fees	21,061	19,939
	Less: bursaries, grants and allowances	(962)	(1,021)
	Add: bursaries from restricted funds	380	60
		<hr/> 20,479 <hr/>	<hr/> 18,978 <hr/>
6	Investment income	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
	Listed investments	-	8
	Bank interest	20	18
	Investment property	14	17
		<hr/> 34 <hr/>	<hr/> 43 <hr/>

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements
For the year ended 31 August 2018

7 Educational expenditure	<u>2018</u> £'000	<u>2017</u> £'000
Teachers' salaries	9,656	8,923
Visiting teachers' salaries	661	606
Teaching costs	1,096	932
Premises costs	1,414	1,227
Welfare costs	1,333	1,319
Support costs of schooling	2,511	2,164
Bursary department costs	1,152	1,107
Cost of bursaries from restricted funds	380	60
Depreciation	1,089	1,122
Finance costs	5	34
	<hr/>	<hr/>
	19,297	17,494
	<hr/> <hr/>	<hr/> <hr/>

Bursary department costs include:

Auditors' remuneration net of VAT:

- current year audit services

	19	18
	<hr/>	<hr/>

8 Staff costs and numbers employed	<u>2018</u> £'000	<u>2017</u> £'000
Wages and salaries	9,654	8,944
Social security	1,110	927
Pension contributions	1,319	1,249
	<hr/>	<hr/>
	12,083	11,120
Visiting teacher costs	591	544
Visiting teacher pension costs	70	62
Supply staff costs	145	101
Visiting lecturers	64	39
Settlement payments	65	90
	<hr/>	<hr/>
	13,018	11,956
	<hr/> <hr/>	<hr/> <hr/>

Numbers employed

	<u>2018</u> Number	<u>2017</u> Number	<u>2018</u> Number	<u>2017</u> Number
	Annual average staff		Equivalent full-time staff	
Teaching	168	158	144	136
Administrative and Support staff	59	55	50	48
Visiting Teachers	23	21	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	250	234	194	184
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

8 Staff costs and numbers employed (continued)

The number of employees whose annual emoluments exceeded £60,000 was:

	<u>Number</u> <u>2018</u>	<u>Number</u> <u>2017</u>
£60,001 - £70,000	14	10
£70,001 - £80,000	9	6
£80,001 - £90,000	2	2
£110,001 - £120,000	1	1
£120,001 - £130,000	2	1
£130,001 - £140,000	-	1
	<hr/> 28 <hr/>	<hr/> 21 <hr/>

23 (2017: 15) higher paid staff participate in the teachers' pension scheme and 4 (2017: 4) in the defined contribution scheme. Employer's contributions for these employees to the defined benefit scheme were £278,219 (2017: £182,205) and to the defined contribution scheme were £26,599 (2017: £32,573).

The aggregate employee emoluments including pension contributions and employers national insurance of key management personnel for the year was £465,636 (2017: £535,095).

The Members of the Council received no remuneration for their services during the year (2017: £nil). Travelling and other expenses reimbursed to 3 (2017: 1) Members of the Council during the year amounted to £284 (2017: £28).

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements
For the year ended 31 August 2018

9 Tangible fixed assets

	Land and buildings			Fixtures furniture equipment	Total
	<u>Assets under Construction</u>	<u>Freehold</u>	<u>Long leasehold</u>	<u>£'000</u>	<u>£'000</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Cost					
At 1 September 2017	619	12,618	14,757	3,345	31,339
Additions	3,516	203	231	422	4,372
At 31 August 2018	4,135	12,821	14,988	3,767	35,711
Depreciation					
At 1 September 2017	-	1,191	2,484	2,627	6,302
Charge for the year	-	379	376	334	1,089
At 31 August 2018	-	1,570	2,860	2,961	7,391
Net book value					
At 31 August 2018	4,135	11,251	12,128	806	28,320
At 31 August 2017	619	11,427	12,273	718	25,037

All tangible fixed assets were held for use in charitable activities.

10 Investment property

	<u>2018</u>	<u>2017</u>
	<u>£'000</u>	<u>£'000</u>
Valuation	685	685

The investment property is a flat owned by the Trust and is not used in the Trust's own activities. A formal valuation of the property was prepared by Knight Frank LLP, dated 26 July 2016.

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

11	Listed investments	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
	Market value at 1 September 2017	-	1,043
	Acquisitions	3,000	-
	Dividends received	-	10
	Realised gain / (loss)	-	16
	Disposal	-	(1,069)
		<hr/>	<hr/>
	Market value at 31 August 2018	3,000	-
		<hr/>	<hr/>
	Cost of investments at 31 August 2018	3,000	-
		<hr/>	<hr/>
	Investments comprised unit trusts.		
12	Debtors	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
	Due within one year:		
	School bills and extras	268	259
	Prepayments and accrued income	344	231
	Other debtors	14	14
		<hr/>	<hr/>
		626	504
		<hr/>	<hr/>
13	Creditors	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
	Amounts falling due within one year:		
	School fees received in advance	1,976	1,970
	Other creditors	1,686	1,447
	Taxation and social security	282	256
	Fee deposits retained	185	147
	Bank loan	-	185
		<hr/>	<hr/>
		4,129	4,005
		<hr/>	<hr/>
	Amounts falling due after more than one year:		
	Fee deposits retained	1,819	1,577
	Bank loan	-	1,180
		<hr/>	<hr/>
		1,819	2,757
		<hr/>	<hr/>

Parents may pay tuition fees in advance. The money may be returned subject to certain specific conditions on the receipt of one term's notice. The split of the fee deposit balance is determined on the assumption that all pupils currently at the school will remain until completion.

The bank loans were repaid during the year.

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements
For the year ended 31 August 2018

14 Unrestricted general funds

Unrestricted funds represent accumulated income from the Trusts activities and other sources that are available for the general purposes of the Trust.

	At 1 September 2017 £'000	Income £'000	Expenditure £'000	Transfers and investment gains/(losses) £'000	At 31 August 2018 £'000
General Fund	29,367	20,545	(18,998)	585	31,499

As reflected by note 9, £28,320,000 of the total funds of the charitable company is invested in tangible fixed assets (2017: £25,037,000).

15 Restricted funds

	At 1 September 2017 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 August 2018 £'000
Regent's Park Bursary Fund	8	85	(87)	-	6
The Vivienne Durham Bursary Fund	83	-	(1)	-	82
Regent's Park Building Fund	67	58	-	(124)	1
Sloane Square Building Fund	139	361	-	(461)	39
Sloane Square Bursary Fund	227	48	(271)	-	4
The Morris Francis Holland Bursary	300	-	(21)	-	279
Other Funds	7	27	(25)	-	9
Restricted Funds	831	579	(405)	(585)	420

Regent's Park Bursary Fund: to assist girls from financially disadvantaged backgrounds to benefit from an education at the school.

The Vivienne Durham Bursary Fund: a fund for academic pupil(s) who could not otherwise afford full fees.

Regent's Park Building Fund: a fund to support the development of the school.

Sloane Square Building Fund: a fund to support the improvement of the school's teaching facilities by the development of its site and surroundings. During the year costs associated with the project have been transferred from the fund.

Sloane Square Bursary Fund: to assist girls from financially disadvantaged backgrounds to benefit from an education at the school.

The Morris family Francis Holland Bursary: to assist girls from a financially disadvantaged background.

Other Funds: a number of smaller funds holding restricted donations net of expenditure on the relevant initiative.

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements For the year ended 31 August 2018

16 Overall funds reconciliation	<u>2018</u>	<u>2017</u>
	£'000	£'000
Funds at 1 September 2017	30,198	27,596
Net movement in funds for the year	1,721	2,602
	<hr/>	<hr/>
Funds at 31 August 2018	<u>31,919</u>	<u>30,198</u>

17 Analysis of net assets between funds

The net assets are held for the various funds as follows:

	Unrestricted	Restricted	Total
	General	(Note 15)	2018
	(Note 14)	£'000	£'000
	£'000		
Tangible fixed assets	28,320	-	28,320
Investment property	685	-	685
Listed investments	3,000	-	3,000
Net current assets	1,313	420	1,733
Creditors falling due after more than one year	(1,819)	-	(1,819)
	<hr/>	<hr/>	<hr/>
	31,494	420	31,919
	<hr/>	<hr/>	<hr/>

18 Operating lease commitments

The following future minimum lease payments under non-cancellable operating leases are set out below:

Payment due:	<u>2018</u>	<u>2017</u>
	£'000	(Restated)
		£'000
Not later than one year	167	185
Later than one year not later than five years	110	267
Later than five years	1,086	1,414
	<hr/>	<hr/>
	1,363	1,536
	<hr/>	<hr/>

Included within the above operating lease commitments are two property leases under 125 year agreements. Annual rents total £13,000 and are reviewed every five years in accordance with RPI.

19 Capital commitments

At 31 August 2018 the Trust had outstanding contractual commitments for capital expenditure amounting to approximately £1,954,000 (2017: £4,540,000).

20 Related party transactions

Three Trustees are parents. All paid fees at normal rates.

The Francis Holland (Church of England) Schools Trust
Notes to the Financial Statements
For the year ended 31 August 2018

21 Pension Costs

Teachers' Pension Scheme

The Trust participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,206,351 (2017: £1,141,514) and at the year-end £155,011 (2017: £150,532) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2016. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6th September 2018 to allow the Department for Education to finalise this valuation. Early indications from the valuation are that the amount employers will be required to pay towards the scheme may increase substantially from September 2019.

The Trust currently supports the following pension arrangements for non-teaching staff.

Friends Provident Group Stakeholder Pension Scheme

The Trust established the Friends Provident Group Stakeholder Pension scheme with effect from 1 February 2009. Friends Provident provide administrative, investment management and trustee services to the scheme. Members have individual policies established in their own names on joining.

The Trust's responsibilities extend to making contributions through payroll and administration, limited to providing Friends Provident with suitable information about employees who accept the invitation to join the scheme. The pension cost charge for these defined contribution schemes represents the amounts payable by the Trust for the year and amounted to £186,113 (2017: £172,485). The year end liability in relation to this scheme was £22,612 (2017: £19,370).

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements
For the year ended 31 August 2018

22 Financial Instruments

	<u>2018</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>
Financial assets at amortised cost	5,236	11,007
Financial assets at fair value	3,000	-
Financial liabilities measured at amortised cost	3,972	4,792

Financial assets at amortised cost include short term deposits, cash at bank and in hand, school bills and extras and other debtors. Financial assets at fair value include investments. Financial liabilities measured at fair value include other creditors, taxation and social security, fee deposits and bank loans.

23 Comparative Statement of Income and Expenditure - Year ended 31 August 2017

	Notes	Unrestricted Funds <u>General</u> <u>£'000</u>	Restricted <u>Funds</u> <u>£'000</u>	<u>2017</u> <u>£'000</u>	<u>2016</u> <u>£'000</u>
INCOME FROM:					
Charitable activities					
School fees	5	18,978	-	18,978	17,855
Raising funds					
Investment income and interest	6	43	-	43	92
Donations		-	1,100	1,100	408
Rent receivable		44	-	44	21
Total income		<u>19,065</u>	<u>1,100</u>	<u>20,165</u>	<u>18,376</u>
Expenditure on:					
Raising funds:					
Fundraising and Development		85	-	85	94
Charitable Activities					
Education	7	17,418	76	17,494	17,144
Total expenditure		<u>17,503</u>	<u>76</u>	<u>17,579</u>	<u>17,238</u>
Net income before transfers and investment gains / (losses)		1,562	1,024	2,586	1,138
Gain / (loss) on investments	11	16	-	16	56
Gain on investment property	10	-	-	-	500
Transfers between funds	15	619	(619)	-	-
Net movement in funds		<u>2,197</u>	<u>405</u>	<u>2,602</u>	<u>1,694</u>
Funds at 1 September 2016		<u>27,170</u>	<u>426</u>	<u>27,596</u>	<u>25,902</u>
Funds at 31 August 2017		<u><u>29,367</u></u>	<u><u>831</u></u>	<u><u>30,198</u></u>	<u><u>27,596</u></u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above.

The Francis Holland (Church of England) Schools Trust

Notes to the Financial Statements

For the year ended 31 August 2018

Comparative fund notes:

24 Unrestricted general funds

Unrestricted funds represent accumulated income from the Trusts activities and other sources that are available for the general purposes of the Trust.

	At 1 September 2016 £'000	Income £'000	Expenditure £'000	Transfers and investment gains/(losses) £'000	At 31 August 2017 £'000
General Fund	27,170	19,065	(17,503)	635	29,367

As reflected by note 9, £25,037,000 of the total funds of the charitable company is invested in tangible fixed assets (2016: £25,068,000).

25 Restricted funds

	At 1 September 2016 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 August 2017 £'000
Regent's Park Bursary Fund	55	8	(55)	-	8
The Vivienne Durham Bursary Fund	88	-	(5)	-	83
Regent's Park Building Fund	-	67	-	-	67
Sloane Square Building Fund	108	650	-	(619)	139
Sloane Square Bursary Fund	154	73	-	-	227
The Morris family Francis Holland Bursary	-	300	-	-	300
Other Funds	21	2	(16)	-	7
Restricted Funds	426	1,100	(76)	(619)	831

Regent's Park Bursary Fund: to assist girls from financially disadvantaged backgrounds to benefit from an education at the school.

The Vivienne Durham Bursary Fund: a fund for academic pupil(s) who could not otherwise afford full fees.

Regent's Park Building Fund: a fund to support the development of the school.

Sloane Square Building Fund: a fund to support the improvement of the school's teaching facilities by the development of its site and surroundings. During the year costs associated with the project have been transferred from the fund.

Sloane Square Bursary Fund: to assist girls from financially disadvantaged backgrounds to benefit from an education at the school.

The Morris family Francis Holland Bursary: to assist girls from a financially disadvantaged background.

Other Funds: a number of smaller funds holding restricted donations net of expenditure on the relevant initiative.