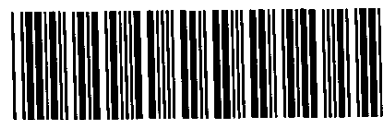


GLENDOWER SCHOOL TRUST LIMITED
GOVERNORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

Registered Company No: 960831
Registered Charity No: 312717

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GLENDOWER SCHOOL TRUST LIMITED

CONTENTS	Page
Legal and administrative information	1
Governors' report	2 – 6
Independent auditors' report	7 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the accounts	12 - 22

GLENDOWER SCHOOL TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2020

Governors

R K Harrison (Chair)
S J S Martyrossian
F Morton
B Daffey
P Vanni (resigned 30 June 2020)
A Rawlinson
S Kumbleben
Z Pinkham (resigned 30 June 2020)
J Richards
G Apkarian
Rev P Cowley
D Nangia
E Hewer (appointed 16 June 2020)

Headmistress

N Kingsmill Moore

Charity Number

312717

Company Number

960831

Principal address and registered office

87 Queen's Gate
London
SW7 5JX

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

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

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Governors present their report and accounts for the year ended 31 August 2020. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2019) (Second Edition, effective 1 January 2019) applicable law and the Trust's Memorandum and Articles of Association.

REFERENCE AND ADMINISTRATIVE INFORMATION

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

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

R K Harrison (Chair)*
S J S Martyrossian *
F Morton
B Daffey
P Vanni (resigned 30 June 2020)
A Rawlinson
S Kumbleben
Z Pinkham (resigned 30 June 2020)
J Richards
G Apkarian*
Rev P Cowley
D Nangja
E Hewer (appointed 16 June 2020)

*Members of the Finance Committee

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

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

Governing Body

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

Governor Training

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

Organisational Management

The Governors meet as a Board at least three times a year to determine general policy. The Governors have set up five sub-committees which meet as needed but at least once a year: an Education sub-committee, chaired by Ms A Rawlinson which considers and advises on all aspects of the school's curriculum; a Finance sub-committee, chaired by Mr G Apkarian, which normally meets two weeks before each Board meeting, to discuss matters arising and to review budgets and termly management accounts; a Risk Management sub-committee chaired by Mrs S Martyrossian which considers the risks to which the school is exposed and the measures in place to mitigate them; and a Health and Safety Committee chaired by Mrs S Martyrossian. The day-to-day running of the school is delegated to the Head, supported by other teaching members of the Leadership team and the Bursar. These staff members along with Governors are the key management personnel.

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Board reviews staff salaries annually at the Spring Board meeting and the Chair and Chair of the Finance sub-committee review the remuneration of the Senior Leadership Team which comprises the Head, Deputy Head, Head of Lower School and Bursar.

Group Structure and Relationships

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

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

Fundraising

The school benefits from a thriving Parents' Association, whose close support, hard work and generosity is greatly appreciated and gladly acknowledged. The Parents' Association hold regular special events to raise funds for the school (including for the bursary scheme). The usual main events are a Spring Dinner Dance (held bi-annually) and an annual Christmas Fair though these have been cancelled this year as a consequence of Covid-19. Separately, during the year parents gave £58,875 for two causes; the first to assist other parents who were facing financial difficulty as a result of the pandemic and the second to help finance the school's initiative to provide free lunches to vulnerable families in the locality and to NHS staff at the Chelsea and Westminster hospital. The school was also grateful to the kitchen staff who provided their services free of charge; at the peak the school provided some 130 meals a day during April and May 2020. In raising funds, neither the school nor the Parents' Association engage professional fundraising organisations. Donations are only sought and received from parents of past and current pupils. The school did not incur any costs in connection with donations which it received. The school follows the fundraising regulators code of practice in regard to any complaints on fundraising procedure. There were no complaints received in the year.

Principal Risks and Uncertainties

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

- COVID 19 pandemic: the school closed from 23 March to 31 May 2020 in accordance with Government instructions. The school continued to provide education via online learning using platforms such as Teams, SeeSaw and Zoom. Recognising that pupils were not receiving the all-round education usually provided, Governors agreed to reduce fees for the summer term by £1,000 per pupil and £1,500 per pupil for those in Reception classes. This reduction reflected savings made as a result of less sport and drama, lower catering costs and Job Retention Scheme payments received from HM Government. Governors also agreed to hold fees for the academic year 2020/21 at the same level as the previous year. Before reopening the school prepared a comprehensive risk assessment, which was approved by Governors. Arrangements included deep cleaning, temperature checking, cleaning throughout the school day, signage highlighting the need to maintain social distancing and additional handwashing facilities. An inset day was set aside to provide appropriate training for all staff.
- Health and safety and fire: the school has a Health and Safety Committee (chaired by a Governor) which meets termly to consider the effectiveness of practices and procedures. Unannounced fire practices take place at least once a term. The school also employs Health and Safety and Fire Consultants to provide appropriate training and to monitor the school's policies and practices. The consultants produce regular written reports to the Health and Safety Committee. Every member of staff receives Fire Safety induction and regular training.
- Poor financial management: the school produces an annual budget and termly management accounts which are carefully considered by the Finance Committee at their termly meetings. The Committee makes enquiries where items of income and expenditure are at variance with the annual budget and ensures that the school has adequate reserves to meet its needs.
- Safeguarding children. The Pastoral Deputy Head is the Designated Safeguarding Lead who is supported by three other members of staff and two Safeguarding Governors who check the schools' recruitment procedures and files as well as records of cases brought to their attention. Every member of staff receives safeguarding training annually.

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

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

PURPOSE, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

Purpose

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

Aims

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

Objectives for the year

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

Other key objectives are outlined below:

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

Principal Activity

Glendower School Trust's principal activity continues to be the operation of a day school for 4 to 11 year-old girls.

Bursaries

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

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Operational performance of the school

There were a number of significant events during the year:

1. Mrs Kingsmill Moore joined the school as Headmistress on 1 September 2019. She has already had a significant and positive impact and has been warmly welcomed by pupils, parents, staff and Governors.
2. From the beginning of the Autumn Term 2019 three new classrooms and ancillary facilities were opened. These were formerly three residential flats already owned by the school. The new classrooms are spacious and of a high standard and have been much appreciated by pupils and staff.
3. Improvements to the connectivity of various parts of the school have also been made as a result of new breakthroughs between 86 and 87 Queen's Gate leading to much better circulation.
4. A new Reception Area and office was opened on 1 November 2019. This replaced the cramped basement accommodation previously in use. This basement area was converted, after extension, into a comfortable new staff room which opened in January 2020.

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

5. The school was inspected in March 2020 by the Independent School Inspectorate. The assessment was extremely favourable with the school achieving 'outstanding' in all categories and confirmation that it is compliant with all current school regulations.

The school had an average of 249 pupils during the year (2019: 235).

In Spring 2020 pupils achieved excellent results in the 11+ examinations, which included nineteen scholarships, twelve of which were academic awards. Places were offered at the very best day and boarding schools. There were pleasing results in both music and music theatre exams again this academic year.

Every girl was involved in her annual year play; these plays being staged at intervals throughout the school year. Although an exciting programme of outings and educational visits were planned, including separate residential trips for years four, five and six in the Spring and Summer Terms these all were cancelled as a result of the pandemic. Young Enterprise Day was repeated in the Summer Term for year six pupils who were introduced to aspects of global trade. The aim was to encourage the girls to understand that just as friends, families and communities rely on each other, so do nations of the world. It opens the minds of pupils, who at a young age start to consider possibilities of careers in later life.

Every year each form, year group and House is encouraged to raise funds for their chosen charity. Amongst the donations made in the year were to: Save the Children (£396), Comic Relief (£670), Winter Warmth (£796), UNICEF (£682) and the Kensington and Chelsea Foundation (£1,097). Separately the Parents' Association supports the William Wilberforce Trust which provides facilities and resources to the homeless in Kensington.

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

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The accounts for the year show net income before other recognised gains or losses of £244,750 (2019: £158,686). This includes £101,639 in government grants claimed under the Job Retention Scheme from April to August 2020. Income was reduced by the discount of £1,000 offered to parents in the Summer term, with an additional rebate of £500 offered to Reception parents. Expenditure on coaches, venue hire and catering was reduced but expenditure on cleaning, including an all-day cleaner, and PPE increased.

Investment Policy, Powers and Performance

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

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

Reserves Policy

The school currently has unrestricted funds of £7,820,367 (2019: £7,448,726). It has been the policy of the Trust that unrestricted free reserves which have not been designated for a specific use should be maintained at a level between nine and twelve months' expenditure (between approximately £3.2 million and £4.2 million). As part of its re-development plan, the school has invested heavily in fixed assets and so currently has no free reserves when taking into account the loan used to fund the capital works. The school is satisfied that it has sufficient reserves and cash resources to meet its foreseeable financial obligations. There are also restricted funds of £203,067 (2019: £201,239), which will be used to finance bursaries.

GLENDOWER SCHOOL TRUST LIMITED

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

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

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

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

In so far as we are aware:

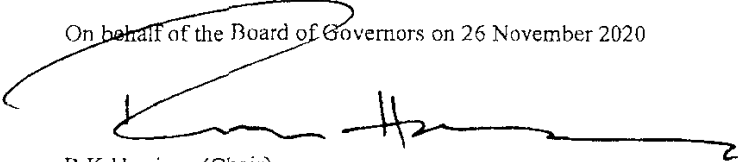
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

In accordance with section 485 of the Companies Act 2006, a resolution proposing Haysmacintyre LLP to be reappointed as auditors of the company, will be put to the Annual General Meeting.

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

On behalf of the Board of Governors on 26 November 2020



R K Harrison (Chair)
Governor

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

Opinion

We have audited the financial statements of Glendower School Trust Limited for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of Governors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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 GLENDDOWER SCHOOL TRUST LIMITED

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 Governors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors 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 Governors are responsible for the other information. The other information comprises the information included in the Governors' 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 Governors' Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

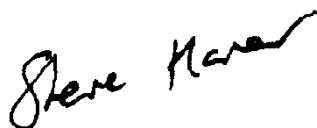
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the directors' report).

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

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

Use of our report

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



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

10 Queen Street Place
London
EC4R 1AG

30 November
..... 2020

GLENDOWER SCHOOL TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
INCOME FROM:					
Income from charitable activities:					
School fees	2	4,699,680	-	4,699,680	4,529,765
Other educational income	3	107,612	-	107,612	167,372
Investment income	4	6,734	-	6,734	32,967
Donations and legacies		-	57,376	57,376	13,324
Government grants		101,639	-	101,639	-
Total Income		4,915,665	57,376	4,973,041	4,743,428
EXPENDITURE ON:					
Costs of Raising Funds					
Investment management fees		3,923	-	3,923	2,137
Finance costs		292,003	-	292,003	311,674
Charitable Activities					
School Operating Costs:					
Teaching costs		2,613,929	-	2,613,929	2,570,747
Welfare costs		205,136	-	205,136	280,245
Premises costs		885,494	-	885,494	790,338
Support and governance costs		672,798	-	672,798	563,426
Grants and awards		-	55,008	55,008	66,176
Total Expenditure	5	4,673,283	55,008	4,728,291	4,584,743
Net income before other gains and losses		242,382	2,368	244,750	158,685
Change in fair value of interest rate swap		129,259	-	129,259	(33,235)
Net income and net movement in funds		371,641	2,368	374,009	125,450
Fund balances at 1 September 2019		7,448,726	201,239	7,649,965	7,524,515
Fund balances at 31 August 2020		£7,820,367	£203,607	£8,023,974	£7,649,965

All amounts relate to continuing activities.

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

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

The notes on pages 12 to 22 form part of these financial statements.

GLENDOWER SCHOOL TRUST LIMITED

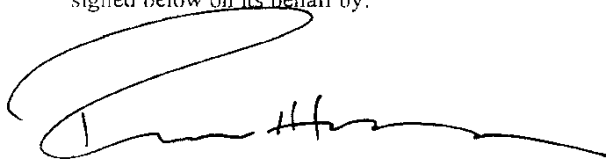
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BALANCE SHEET

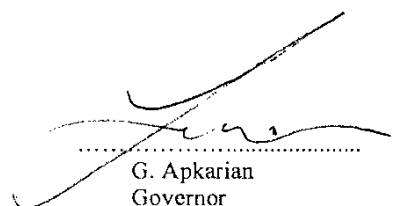
AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	9	14,811,283	13,911,197
		<u>14,811,283</u>	<u>13,911,197</u>
CURRENT ASSETS			
Debtors	10	1,300,420	1,155,383
Cash and cash equivalents	11	2,258,764	3,255,033
			<u>4,410,416</u>
CREDITORS: amounts falling due within one year	12	(2,514,049)	(2,660,002)
NET CURRENT ASSETS		<u>1,045,135</u>	<u>1,750,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,856,418</u>	<u>15,673,611</u>
CREDITORS: due after more than one year	13	(7,832,444)	(8,011,646)
NET ASSETS		<u>8,023,974</u>	<u>7,649,965</u>
FUNDS			
Unrestricted funds:	18	7,820,367	7,448,726
Restricted funds	18	203,607	201,239
	19	<u>£8,023,974</u>	<u>£7,649,965</u>

The financial statements were approved and authorised for issue by the Board of Governors 26 November 2020 and were signed below on its behalf by:



R K Harrison (Chair)
Governor



G. Apkarian
Governor

The notes on pages 12 to 22 form part of these financial statements.

GLENDOWER SCHOOL TRUST LIMITED

STATEMENT OF CASH FLOWS AND MOVEMENT IN NET DEBT

FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Cash flows from operating activities	697,233	1,283,707
Cash flows from investing activities		
Interest income	6,734	32,967
Purchase of property, plant and equipment	(1,408,234)	(1,531,147)
Net cash (used in) investing activities	<u>(1,401,499)</u>	<u>(1,498,180)</u>
Cash flows from financing activities		
Finance costs	(292,003)	(311,674)
Net cash (used in) financing activities	<u>(292,003)</u>	<u>(311,674)</u>
Change in cash and cash equivalents in the reporting period	(996,269)	(526,147)
Cash and cash equivalents at the beginning of the reporting period	3,255,033	3,781,180
Cash and cash equivalents at the end of the reporting period	<u>2,258,764</u>	<u>£3,255,033</u>

NOTES TO THE STATEMENT OF CASH FLOWS

	2020 £	2019 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	374,009	125,451
Depreciation	508,147	496,093
Increase in debtors	(145,037)	(166,338)
(Decrease) in creditors – including swap liability	(325,156)	549,794
Interest income	(6,734)	(32,967)
Finance costs	292,003	311,674
Net cash provided by operating activities	<u>£697,233</u>	<u>£1,283,707</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	2,258,764	3,255,033
	<u>£2,258,764</u>	<u>£3,255,033</u>

Movement in net debt	Cash and cash equivalents	Borrowings	Interest rate swap	Total
At 1 September 2018	3,781,180	(6,200,000)	(1,073,525)	3,492,345
Cashflow	(526,147)	-	-	(526,147)
Fair value gains and losses	-	-	33,235	33,235
Interest charges	-	-	-	-
At 31 August 2019	<u>£3,255,033</u>	<u>(£6,200,000)</u>	<u>(£1,106,760)</u>	<u>£(4,051,727)</u>
At 1 September 2019	3,255,033	(6,200,000)	(1,106,760)	(4,051,727)
Cashflow	(996,269)	-	-	(996,269)
Fair value gains and losses	-	-	(129,259)	(129,259)
Interest charges	-	-	-	-
At 1 September 2020	<u>£2,258,764</u>	<u>(£6,200,000)</u>	<u>(£977,501)</u>	<u>£(4,918,737)</u>

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition, effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Critical accounting judgements and estimates

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

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

Income

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

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

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

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

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

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

Expenditure

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

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

Tangible fixed assets and depreciation

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

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

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

No depreciation is provided on land.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

I. ACCOUNTING POLICIES (continued)

Hedging arrangements

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

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

Valuation of interest rate swaps

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

Going concern

The financial statements have been drawn up using the going-concern basis as the Governors, after the review of relevant budgets and forecasts, have a reasonable expectation that the organisation will continue in operational existence for a minimum of twelve months from the date of the signing of the accounts.

Debtors

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

Creditors and Provisions

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

Leasing

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

Accumulated funds

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

Restricted funds

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

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Pensions

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

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

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

2. SCHOOL FEES	2020 £	2019 £
Gross school fees	4,703,720	4,534,715
Less bursaries and allowances	(59,048)	(71,126)
	<u>4,644,672</u>	<u>4,463,589</u>
Add bursaries paid for by restricted funds	55,008	66,176
	<u>£4,699,680</u>	<u>£4,529,765</u>
3. OTHER EDUCATIONAL INCOME	2020 £	2019 £
Music lessons	6,448	3,100
Deposits retained	31,455	-
Registration fees	33,691	36,996
School Fees Protection and Personal Accident Policies	3,641	4,498
Swimming	14,322	23,179
Other	18,055	99,599
	<u>£107,612</u>	<u>£167,372</u>
4. INVESTMENT INCOME	2020 £	2019 £
Rental income	-	20,868
Interest receivable	6,734	12,099
	<u>£6,734</u>	<u>£32,967</u>

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

5. EXPENDITURE 2020

	Staff costs £	Depreciation £	Other Costs £	Total 2020 £	Total 2019 £
Costs of Raising Funds:					
Investment management fees	-	-	3,923	3,923	2,137
Finance costs	-	-	292,003	292,003	311,674
Charitable Activity:					
School Operating Costs:					
Teaching costs	2,307,887	-	306,042	2,613,929	2,570,747
Welfare costs	-	-	205,136	205,136	280,245
Premises costs	38,581	508,147	338,766	885,494	790,338
Support and governance costs	365,585	-	307,213	672,798	563,426
Grants and awards	-	-	55,008	55,008	66,176
	<u>£2,712,053</u>	<u>£508,147</u>	<u>£1,508,091</u>	<u>£4,728,291</u>	<u>£4,584,743</u>

Governance costs includes fees to the auditors of £12,750 (2019: £11,250) for audit and £1,500 (2019: £2,025) for other services. Finance costs include interest payable on the loan to BNP Paribas – see note 14.

EXPENDITURE 2019 Comparative

	Staff costs £	Depreciation £	Other Costs £	Total 2019 £
Costs of Raising Funds:				
Investment management fees	-	-	2,137	2,137
Investment property costs	-	-	-	-
Finance costs	-	-	311,674	311,674
Charitable Activity:				
School Operating Costs:				
Teaching costs	2,096,668	-	474,079	2,570,747
Welfare costs	-	-	280,245	280,245
Premises costs	38,001	496,093	256,244	790,338
Support and governance costs	305,522	-	257,904	563,426
Grants and awards	-	-	66,176	66,176
	<u>£2,440,191</u>	<u>£496,093</u>	<u>£1,582,283</u>	<u>£4,584,743</u>

6. GOVERNORS

During the year Governors were reimbursed expenses totalling £169 (2019: £907) but an amount of £1,000 (2019: £6,750) was spent on seminars that were attended by the Governors. None of the Governors (or any persons connected with them) received any remuneration or benefits from the charity during the year. The cost of Governors' indemnity insurance in the year amounted to £3,360 (2019: £3,000).

7. STAFF COSTS

	2020 £	2019 £
Wages and salaries	2,137,881	1,988,484
Social security costs	206,050	203,972
Other pension costs	368,122	247,735
	<u>£2,712,053</u>	<u>£2,440,191</u>

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

7. STAFF COSTS (continued)

The average number of employees during the year was:

	2020 Number	2019 Number
Teachers	47	43
Domestic	1	1
Administration	7	6
	<u>54</u>	<u>50</u>

The number of employees whose annual emoluments were £60,000 or more were:

	Number	Number
£60,001 - £70,000	-	1
£70,001 - £80,000	3	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	1
	<u>-</u>	<u>1</u>

During the year pension contributions on behalf of these members of staff amounted to £71,545 (2019: £55,322).

Key management remuneration

	2020 £	2019 £
Aggregate remuneration and benefits for the key management personnel	<u>£443,363</u>	<u>£443,000</u>

8. TAXATION

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

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

9. TANGIBLE FIXED ASSETS	Land and Buildings £	Building improvements £	Asset Under construction	Furniture/ Equipment £	Total £
Cost or valuation					
At 1 September 2019	13,123,533	1,726,234	1,669,203	452,548	16,971,518
Additions	913,396	67,486	350,000	77,351	1,408,233
Transfer	1,583,043	-	(1,669,203)	86,160	-
	<u>£15,619,972</u>	<u>£1,793,720</u>	<u>£350,000</u>	<u>£616,059</u>	<u>£18,379,751</u>
Depreciation					
At 1 September 2019	1,857,949	824,866	-	377,506	3,060,321
Charge for the year	254,242	172,623	-	81,282	508,147
	<u>£2,112,191</u>	<u>£997,489</u>	<u>-</u>	<u>£458,788</u>	<u>£3,568,468</u>
Net Book Value					
At 31 August 2020	<u>13,507,781</u>	<u>796,231</u>	<u>350,000</u>	<u>157,271</u>	<u>14,811,283</u>
At 31 August 2019	<u>£11,265,584</u>	<u>£901,368</u>	<u>£1,669,203</u>	<u>£75,042</u>	<u>£13,911,197</u>

The School previously held investment properties comprising three flats at 86 Queen's Gate and in 2016 and 2018 the school transferred these to tangible fixed assets within the land and buildings category. The investment properties were held at valuation of £2,384,016 and £2,039,222 respectively at time of transfer. On transfer to tangible fixed assets the valuation was taken to be deemed cost. In line with the School's accounting policy for tangible fixed assets, the assets are now held at depreciated cost.

All other tangible fixed assets are stated at historical cost.

10. DEBTORS	2020 £	2019 £
Fees debtors	1,204,600	1,123,747
Prepayments and accrued income	47,424	31,636
Other debtors	48,396	-
	<u>£1,300,420</u>	<u>£1,155,383</u>

11. CASH AND CASH EQUIVALENTS

This represents the bank current account plus a fixed deposit with Virgin Money of £85,959 (2019: £85,534).

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

12. CREDITORS: amounts falling due within one year	2020 £	2019 £
Other taxes and social security costs	68,484	-
Fees charged in advance	1,721,521	1,683,283
Fee deposits	88,130	91,815
Other creditors and accruals	635,914	884,904
	<u>£2,514,049</u>	<u>£2,660,002</u>
13. CREDITORS: amounts falling due after more than one year	2020 £	2019 £
Loan notes to parents	-	49,988
Fee deposits	654,943	654,898
Bank loan	6,200,000	6,200,000
Interest Rate Swap liability	977,501	1,106,760
	<u>£7,832,444</u>	<u>£8,011,646</u>

The bank loan is secured by a legal charge on the school's freehold properties at 86 and 87 Queen's Gate. It is interest only until April 2032. The loan interest is floating rate but is effectively fixed at 5.2% until 2027 through the associated interest rate swap; the swap amortises from 2019. The value of the swap has been included at the balance sheet date, in line with FRS 102 and the accounting policies set out in note 1.

All Loan notes were fully repaid in the year.

14. SHARE CAPITAL

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

15. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2020 the company had total commitments under non-cancellable operating leases as follows:

	Computer Equipment	
	2020	2019
	£	£
Expiry date:		
Within one year	£29,645	£7,306
Within two to five years	£39,598	£13,394

16. CAPITAL COMMITMENTS

At 31 August 2020 the company had £Nil capital expenditure contracted for (2019: £982,805)

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

17. PENSIONS

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £317,176 (2019: £210,279) and at the year-end £38,981 (2019 - £Nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

For non-teaching staff the school contributes to individual personal pension plans. The school made contributions of £50,946 (2019: £37,456) during the year. Contributions of £5,665 (2019: £8,849) were outstanding at the yearend.

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

18. FUNDS	1 September 2019 £	Income £	Expenditure £	Gains/(losses) and transfers £	31 August 2020 £
Restricted funds					
Bursary funds	201,239	57,376	(55,008)	-	203,607
Total restricted funds	£201,239	£57,376	£(55,008)	£-	£203,607
Unrestricted funds					
General funds	7,448,726	4,915,665	(4,673,283)	129,259	7,820,367
Total unrestricted funds	£7,448,726	£4,915,665	£(4,673,283)	£129,259	£7,820,367
Total funds	£7,649,965	£4,973,041	£(4,728,291)	£129,249	£8,023,974

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

18. PRIOR YEAR MOVEMENT IN FUNDS	1 September 2018 £	Income £	Expenditure £	Gains/(losses) and transfers £	31 August 2019 £
Restricted funds					
Bursary funds	254,091	13,324	(66,176)	-	201,239
Total restricted funds	£254,091	£13,324	£(66,176)	£-	201,239
Unrestricted funds					
General funds	7,270,424	4,730,104	(4,518,567)	(33,235)	7,448,726
Total unrestricted funds	£7,270,424	£4,730,104	£(4,518,567)	£(33,235)	£7,448,726
Total funds	£7,524,515	£4,743,428	£(4,584,743)	£(33,235)	£7,649,965

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

19. NET ASSETS BETWEEN FUNDS	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	14,811,283	14,811,283
Net current assets	203,607	841,528	1,045,135
Long term creditors	-	(7,832,444)	(7,832,444)
Net assets at the end of the year	£203,607	£7,820,367	£8,023,974
NET ASSETS BETWEEN FUNDS 2019	Restricted Funds £	General Funds £	Total Funds £
Tangible fixed assets	-	13,911,197	13,911,197
Net current assets	201,239	1,549,175	1,750,414
Long term creditors	-	(8,011,646)	(8,011,646)
Net assets at the end of the year	£201,239	£7,448,726	£7,649,965

GLENDOWER SCHOOL TRUST LIMITED

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

20 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted £	Restricted £	Total 2019 £
INCOME FROM:				
Income from charitable activities:				
School fees	2	4,529,765	-	4,529,765
Other educational income	3	167,372	-	167,372
Investment income	4	32,967	-	32,967
Donations and legacies		-	13,324	13,324
Total Income		4,730,104	13,324	4,743,428
EXPENDITURE ON:				
Costs of Raising Funds				
Investment management fees		2,137	-	2,137
Investment property costs		-	-	-
Finance costs		311,674	-	311,674
Charitable Activities				
School Operating Costs:				
Teaching costs		2,570,747	-	2,570,747
Welfare costs		280,245	-	280,245
Premises costs		790,338	-	790,338
Support and governance costs		563,426	-	563,426
Grant expenditure		-	66,176	66,176
Total Expenditure	5	4,518,567	66,176	4,584,743
Net income before other gains and losses		211,537	(52,852)	158,685
Change in fair value of interest rate swap		(33,235)	-	(33,235)
Net income and net movement in funds		178,302	(52,852)	125,450
Fund balances at 1 September 2018		7,270,424	254,091	7,524,515
Fund balances at 31 August 2019		£7,448,726	£201,239	£7,649,965