

REGISTRAR OF COMPANIES

St Philip's School Trust Limited

Annual Report and Financial Statements

31 August 2016

Company Limited by Guarantee
Registration Number
01789733 (England and Wales)

Charity Registration Number
288887

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Reference and administrative details of the charity, its governors, and advisers

Governors	M Breen S Day F Deacy J Dean R Llewellyn T MacFarlane A MacGreevy H Mould
Headmaster	A Wulffen-Thomas
Registered principal office	6 Wetherby Place London SW7 4NE
Company registration number	01789733 (England and Wales)
Charity registration number	288887
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 95 Gloucester Road South Kensington London SW7 4SX
Accountants	SDK Educational Consultancy Ltd 10 Bath Road Old Town Swindon SN1 4BA

Governors' report 31 August 2016

The Governors of St Philip's School Trust Limited, who are also directors of the company for the purposes of the Companies Act and trustees for the purposes of charity law, present their statutory report together with the financial statements for the year ended 31 August 2016.

The report has been prepared in accordance with Part VIII of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 and 17 of the attached financial statements and comply with the School's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Governance, structure and management

Constitution and legal status

The Charity is constituted as a company limited by guarantee. The Governors, who are also members, are liable to contribute an amount not exceeding £1 each on the event of winding up.

Governance

The Governing body is elected on the basis of nominations and recommendations received from various sources, with a view to ensuring as wide a mix as possible of relevant expertise. Members are eligible to stand for re-election.

The Governors maintain overall responsibility for the school and its assets, and determine the general policy of the school.

The day-to-day running of the school is delegated to the Headmaster and his senior management team.

Governors

The Governors may appoint additional Governors under the terms of the Memorandum.

The following Governors were in office and served throughout the year, except where shown.

Governors' report 31 August 2016

Governance, structure and management (continued)

Governors (continued)

Governors	Appointed / Resigned / Retired
A Aylward	Resigned August 2016
M Breen	
S Day	
F Deacy	Appointed 30 November 2016
J Dean (Chairman)	
R Llewellyn	Appointed August 2016
T MacFarlane	
A MacGreevy	
H Mould	
P N White	Resigned July 2016

No Governor received any remuneration from the school during the year (2015 - £nil). During the year one Governor, who is also a parent, had children attending the school. Fees paid by the Governors are the same as fees paid by others. There were no outstanding amounts at the year end. No Governor had any other beneficial interest in any contract with the school during the year.

Key management personnel

The Governors consider that they, together with the senior management team, comprise the key management personnel of the charity.

The senior management team consists of:

Name	Role
Alex Wulffen-Thomas	Headteacher
Rebecca Trefgarne	Deputy
Anthony Jeffrey	Acting Deputy

The Finance and General Purposes Committee considers the pay and remuneration of the school's senior management team and in reaching recommendations for the Governing Body consider the nature of the role and responsibilities, trends in pay and competitor salaries in the region available from publicly available sources.

Statement of Governors' responsibilities

The Governors (who are also directors of St Philip's School for the purposes of company law) are responsible for preparing the Governors' report and 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 school and of the incoming resources and application of resources, including the income and expenditure, of the school for that period.

Governance, structure and management (continued)

Statement of Governors' responsibilities (continued)

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the school will continue in operation.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the school 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 school and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Governors confirms that:

- ◆ so far as the Governor is aware, there is no relevant audit information of which the school's auditor is unaware; and
- ◆ the Governor has taken all the steps that he/she ought to have taken as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the school's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Organisational management

The Board meets once a term to determine the general policy for the Trust and to review its overall management and control, for which they are legally responsible.

A Finance and General Purpose Committee meets once a term. It reports to the Governors with recommendations on pay and conditions, financial obligations and fee and bursary policies.

Governance, structure and management (continued)

Risk management

The Governors have assessed the major risks to which the school is exposed, in particular those related to the operations and finances and they are satisfied that systems are in place to mitigate the exposure to major risks.

The main risks the Governors have identified and the plans to mitigate those risks are:

- ◆ Reputation of the education and well-being of our pupils and the activities of the charity. This risk is managed through relevant policies which are embedded within the school through meetings, committees, staff and pupil awareness and having nominated senior management responsible for specific policies. Policies include: safeguarding policies, staff recruitment policies, health and safety policies.
- ◆ Income and cash flow to deliver the educational offering for the present and to invest in the school and charity, including its fabric for the long term future. The risk is managed by maintaining and where feasible increasing pupil numbers, identifying any trends that can be reduced associated with leavers, looking into non-fee income initiatives.

Activities, specific objectives and relevant policies

Principal aims and objectives

The principal aims and objects of the school are the promotion and provision of the education of boys up to the age of 13.

Strategic aim and intended effect

The school's strategic aim to reach its annual objective is the attainment of the highest academic levels whilst allowing pupils to benefit from our extra-curricular programme. This is intended to draw out their abilities and academic potential, awaken and develop wider interests in life and motivate them for a successful outcome at their chosen senior school. The pupils' moral, social and spiritual development is considered to be just as important as their academic progress.

Objectives for the year

The school's main objective continued to be to educate all the school's pupils to at least the same high standard achieved by the school in previous years, so that they will be fully able to benefit from their chosen senior school for the completion of their education in due course. Our strategy for achieving this is to maintain a high teacher-to-pupil ratio, tailoring our services as appropriate in each case to suit individual needs.

Grant making

The school is able to provide bursaries for pupils who would otherwise be unable to attend the school and also able to assist Parents who, due to a change in circumstances beyond their control, are judged to require financial assistance.

Achievements and performance

Review of the year and future plans

The school has had a successful year. All 13 boys passed their Common Entrance examinations and were able to take up places at their first choice schools. Seven boys chose to board and of those two passed into each of Eton, Harrow, and Winchester, and one passed into Worth. The six boys who chose to go to day schools passed into City of London, Dulwich, St Paul's, Westminster and Wetherby Senior (2).

There are three boys in the school on a full bursary, which is funded through the St Philip's Bursary Fund. The governors remain committed to growing the fund.

A new headmaster took up post in January following the retirement - after more than thirty years of exemplary service - of his predecessor. In May a new position of Registrar was created to assist the headmaster with recruitment of pupils into the school, and an appropriately qualified candidate was chosen. A new English and mathematics teacher was appointed in the same month to cover the teaching commitments of the Deputy Head, who entered a period of maternity leave; the appointment on a fixed term contract to the end of the year proved a great success.

The physical estate was enhanced with investment in the refurbishment of the school office, the re-carpeting of the majority of the shared space in the school and one classroom, and the first phase of a two-phase refurbishment of one small classroom. The school is committed to investing in the improvement of the educational facilities of the building.

Our future plans remain focused on investment in the continuation of a broad and balanced curriculum that combines a strong academic, moral and religious education with a range of creative and sporting opportunities. Testament of this is the excellent leavers' list of destination schools, positive parental feedback, excellent sports results, inspection reports from the Diocese of Westminster and Ofsted, and a strong pupil-roll.

Fundraising performance

Our Parents' Association Volunteers

Our Parents' Association helped the school's fundraising and cultural activities with many hours of voluntary service during the year, and the Board would like to thank the Parents for their valuable support to the school throughout the year, which is highly appreciated.

Public Benefit

The purpose of the school is the promotion and provision of the education of boys up to the age of 13. The school receives no funding from the state and is therefore obliged to charge fees to cover the remuneration of its staff and the maintenance costs both present and in the future associated with the upkeep of the school's fabric and facilities.

Achievements and performance (continued)

Fundraising performance (continued)

Public Benefit (continued)

The Charity Commission's publication 'Charities and Public Benefit' gives guidance to trustees as to how to demonstrate explicitly that the aims of St Philip's School are for the public benefit. The Governors acknowledge the guidance and will strive whenever it is reasonably possible to follow it.

The school is continuing to develop its already strong relationship with our local Roman Catholic primary school, Our Lady of Victories. One of our teaching staff takes an after school verbal reasoning lesson at the primary school for thirty Year 6 pupils. St Philip's remunerates the teacher. We have also offered to sponsor pupils from the school who wish to take part in some of our after school clubs.

St Philip's boys contribute to the parish of the Oratory Church, Brompton Road, by serving Mass on Sundays, and by singing in the junior choir of the church.

The Governors are looking to offer full bursary places for disadvantaged children from the local community and the "St Philip's Bursary Fund" continues to grow as a key element of the bursary policy which has been set in place.

Financial review

Results for the year

Income for the year was £1,428,780 (2015 - £1,553,260). Resources expended were £1,644,476 (2015 - £1,600,874). The net deficit for the year was £215,696 (2015 - £47,614).

Overall, the Governors consider the affairs of the charity to be satisfactory, but they are aware of potential financial issues facing the independent schools sector and the constant need to monitor budgets and cash flow forecasts.

Financial position and reserves policy

Financial position

The balance sheet shows total funds of £5,800,006 (2015 - £4,145,702).

The total funds are represented by a revaluation reserve, which represents the revalued amount of the school's freehold property, of £4,711,890, general funds of £771,553 and designated funds of £316,563. In addition to bursaries, grants and allowances of £52,733 provided from unrestricted funds, bursaries of £4,658 have been provided using the restricted fund during the year. During the year three 100% means tested bursaries were provided to pupils who would otherwise be unable to attend the school.

Financial position and reserves policy (continued)

Financial position (continued)

Within general funds, £369,259 represents funds deployed as part of the school premises, equipment and intangible assets, with the balance of £402,294 being 'free reserves'. The level of free reserves represents approximately three months' expenditure.

Reserves policy

The Governors have examined the requirement for free reserves (i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed) which they wish to increase so that in the future premises with improved facilities can be acquired.

Fixed assets

The main asset of the school is the freehold building. This was revalued by Scanlans Consultant Surveyors LLP on 16 February 2016 on the basis of residential use at £4,970,000.

The Governors are of the opinion that the value of the property on an existing use basis is not significantly different from that stated.

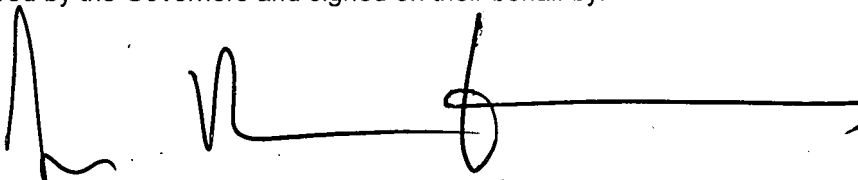
Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Financial position and reserves policy

Summary

St Philip's School has again had a good year and our thanks go to all those who have helped to achieve this, staff, pupils and parents.

Approved by the Governors and signed on their behalf by:


Chairman J Dean S Day

Approved by the Governors on: 2 March 2017

Independent auditor's report 31 August 2016

Independent auditor's report to the members of St Philip's School Trust Limited

We have audited the financial statements of St Philip's School Trust Limited for the year ended 31 August 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditor

The Governors are also the directors of the charitable company for the purposes of company law. As explained more fully in the statement of Governors' responsibilities set out in the Governors' report, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report.

Independent auditor's report 31 August 2016

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of charitable company's affairs as at 31 August 2016 and of its 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.

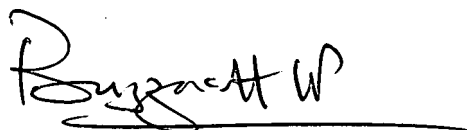
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Governors' remuneration specified by law are not made;
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the governors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Avnish Savjani, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

28 April 2017

Statement of financial activities Year to 31 August 2016

	Notes	Unrestricted funds £	Restricted funds £	Revaluation reserve £	Total 2016 £	Total 2015 £
Income from:						
Donations	1	2,000	—	—	2,000	10,795
Charitable activities						
School fees receivable	2	1,423,607	—	—	1,423,607	1,539,582
Investments	3	3,173	—	—	3,173	2,883
Total income		1,428,780	—	—	1,428,780	1,553,260
Expenditure on:						
Charitable activities						
Provision of education	4	1,639,818	4,658	—	1,644,476	1,600,874
Total expenditure		1,639,818	4,658	—	1,644,476	1,600,874
Net expenditure	5	(211,038)	(4,658)	—	(215,696)	(47,614)
Other recognised gains						
Gains on revaluation of assets		—	—	1,870,000	1,870,000	—
		(211,038)	(4,658)	1,870,000	1,654,304	(47,614)
Net movement in funds						
Reconciliation of funds:						
Balances brought forward at 1 September 2015		1,299,154	4,658	2,841,890	4,145,702	4,193,316
Balances carried forward at 31 August 2016		1,088,116	—	4,711,890	5,800,006	4,145,702

The charity has no recognised gains or losses other than those shown above.

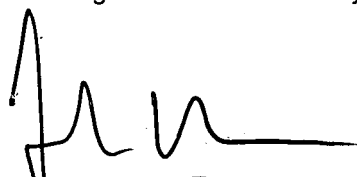
All of the charity's activities derived from continuing operations during the above two financial periods.

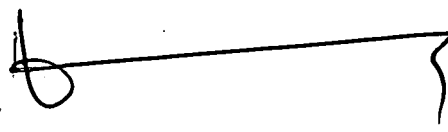
Balance sheet 31 August 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Intangible fixed assets	9		38,890		42,223
Tangible fixed assets	10		<u>5,042,259</u>		<u>3,165,659</u>
			5,081,149		3,207,882
Current assets					
Debtors	11	13,877		49,125	
Fixed deposits		1,034,094		1,030,192	
Cash at bank and in hand		<u>181,138</u>		<u>301,423</u>	
		1,229,109		1,380,740	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(510,252)</u>		<u>(442,920)</u>	
Net current assets			718,857		937,820
Total net assets			<u>5,800,006</u>		<u>4,145,702</u>
The funds of the charity:					
Restricted funds	13		—		4,658
Unrestricted funds					
General fund			771,553		1,017,724
Designated fund	14		316,653		281,430
Revaluation reserve	15		<u>4,711,890</u>		<u>2,841,890</u>
			5,800,006		4,145,702

St Philip's School Trust Limited
Company Number 01789733 (England and Wales)

Approved by the Governors
and signed on their behalf by:


Governor J Dean


Governor S Day

Approved on: 2 March 2017

Statement of cash flows Year to 31 August 2016

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(88,798)	99,846
Cash flows from investing activities:			
Investment income		3,173	2,883
Purchase of tangible fixed assets		(30,758)	(60,697)
Net cash used in investing activities		(27,585)	(57,814)
Change in cash and cash equivalents in the year		(116,383)	42,032
Cash and cash equivalents at 1 April 2015	B	1,331,615	1,289,583
Cash and cash equivalents at 31 March 2016	B	1,215,232	1,331,615

Notes to the statement of cash flows for the year to 31 March 2016:

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2016 £	2015 £
Net movement in funds (as per the statement of financial activities)	1,654,304	(47,614)
Adjustments for:		
Depreciation charge	24,158	24,167
Amortisation charge	3,333	3,333
Investment income	(3,173)	(2,883)
Revaluation of tangible fixed assets	(1,870,000)	—
Decrease (increase) in debtors	35,248	(18,173)
Increase in creditors	67,332	141,016
Net cash provided by (used in) operating activities	(88,798)	99,846

B Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	181,138	301,423
Fixed deposits	1,034,094	1,030,192
Total cash and cash equivalents	1,215,232	1,331,615

Principal accounting policies 31 August 2016

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are presented in sterling and are rounded to the nearest pound.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the Governors have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed.

In accordance with the requirements of FRS 102 a reconciliation of the opening balances and net income for the year is provided with the net income under previous GAAP adjusted:

There have been no adjustments to the net income for the year as reported under previous GAAP. However, as required by section 35 of FRS 102, the final balance sheets for 2015 and 2014 have been restated as if FRS 102 were in force at the beginning of the previous accounting period. The reconciliations for 2015 and 2014 have been shown in order to demonstrate the effect of the change in reporting framework for the opening balances as at 1 September 2015 and 1 September 2014.

	2015 £	2014 £
Reconciliation of total funds:		
Total funds as previously stated	2,825,702	2,873,316
Revaluation of tangible fixed assets (a)	1,320,000	1,320,000
Total funds as restated	4,145,702	4,193,316

Reconciliation with previous Generally Accepted Accounting Practice (continued)

- a) As required by FRS102, the school's land and buildings have been valued at market value at 31 August 2016 (including alternative residential use). Under previous UK GAAP they were valued on an existing use basis. The valuation of land and buildings at 31 August 2015 and 31 August 2014 has been restated based on the residential value of the property at the previous valuation date (22 February 2012).

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Governors and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ estimating the bad debt provision.

Assessment of going concern

The Governors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Governors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Governors of the School have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Governors are of the opinion that the School will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the school is entitled to receipt, the amount can be measured reliably and it is probable that the income will be received.

Income comprises income from donations, bank interest receivable and income from school fees.

Donations are recognised when the school has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the School is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the school and it is probable that those conditions will be fulfilled in the reporting period.

Income recognition (continued)

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

Income from school fees is recognised when the School is entitled to receipt. This is usually at the point at which the school has commenced the provision of education at the start of each academic term.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the school to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and includes any attributable VAT which cannot be recovered. All expenses are allocated or apportioned to the applicable expenditure headings.

Resources expended comprise the cost of charitable activities i.e. the cost of teaching and support staff salaries, including pension and national insurance costs, books, games equipment and other tuition expenses including associated support costs.

Intangible fixed assets

Intangible assets comprise a purchased licence capitalised at cost and amortised through the statement of financial activities on a straight line basis over the length of the licence.

Tangible fixed assets

All assets costing more than £600 and with an expected useful life exceeding one year are capitalised.

a. Freehold property

Depreciation: the freehold property is maintained in a continual state of sound repair; the Trustees consider that the life of the property is so long and the residual value, based upon current values is so high, that depreciation is immaterial. On this basis, any depreciation charge would be immaterial and no depreciation has been charged.

The freehold property is revalued periodically and surpluses and deficits are transferred to the revaluation reserve.

b. Other tangible fixed assets

Other tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|--------------------------|-----------------------------|
| ◆ Fixtures and equipment | 25% per annum based on cost |
|--------------------------|-----------------------------|

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Pension costs

Contributions in respect of the defined contribution scheme and the Teachers' Pension Scheme are charged to the income and expenditure account in the year in which they are payable to the scheme.

Fund accounting

The revaluation reserve comprises the revalued amount of the school's freehold property. The value represented by such assets should not be regarded, therefore, as realisable.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the school's charitable objects.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes in respect of the provision of bursaries to pupils.

Restricted funds represent monies which have been raised for a specific purpose or which are subject to restrictions on their use. Once the purposes have been fulfilled, or the funds used in accordance with the conditions, they are released to unrestricted funds.

Notes to the financial statements 31 August 2016

1 Donations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
2016 total funds: Donations	2,000	—	2,000	10,795
2015 total funds	798	10,000	10,795	

2 Income from charitable activities:

	Unrestricted funds	
	2016 £	2015 £
Gross school fees	1,405,330	1,441,033
Registration fees	7,830	12,295
Less: total bursaries, grants and allowances*	(57,391)	(52,270)
	1,355,769	1,401,058
Add: Bursaries, grants and allowances paid for by restricted funds	4,658	41,610
	1,360,427	1,442,668
Other income	63,180	96,914
	1,423,607	1,539,582

*During the year awards were made to 14 individuals (2015 – 11 individuals).

3 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
2016 total funds: Bank interest	3,173	—	3,173	2,883
2015 total funds	2,883	—	2,883	

4 Expenditure on charitable activities

	Staff Costs £	Other £	Depreciation and amortisation £	Total 2016 £	Total 2015 £
Cost of Charitable Activities					
School operating costs:					
· Teaching costs	953,852	85,267	—	1,039,119	1,010,407
· Welfare costs	—	20,350	—	20,350	12,768
· Premises	—	96,101	—	96,101	99,111
· Sports Costs	—	66,278	—	66,278	68,231
· Outings and Activities	—	62,683	—	62,683	98,092
· Bursaries	—	4,658	—	4,658	41,610
· Other direct costs	—	27,677	—	27,677	15,671
· Support costs of schooling	136,936	163,183	27,491	327,610	254,984
	1,090,788	526,197	27,491	1,644,476	1,600,874

Notes to the financial statements 31 August 2016

4 Expenditure on charitable activities (continued)

Bursary payments of £4,658 (2015 - £41,610) were paid from restricted funds. All other expenditure related to unrestricted funds in the above two financial periods.

5 Net expenditure

This is stated after charging:

	2016 £	2015 £
Staff costs (note 6)	1,090,788	1,024,803
Auditor's remuneration (including VAT)		
- current year	10,320	10,020
- prior year	—	1,260
Depreciation of tangible fixed assets	24,158	24,167
Amortisation of tangible fixed assets	3,333	3,333

6 Employees and staff costs

Staff costs during the year were as follows:

	2016 £	2015 £
Wages and salaries	813,559	845,442
Social security costs	80,847	78,344
Other pension costs	103,183	94,590
Other staff costs	4,199	6,427
Termination payments	89,000	—
	1,090,788	1,024,803

During the year termination payments were made to two members of staff.

The average number of employees during the year, calculated on an average basis, analysed by function, was as follows:

	2016 Number	2015 Number
Teaching	18	18
Administration	3	3
	21	21

6 Employees and staff costs (continued)

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2016 Number	2015 Number
£60,001 - £70,000	5	2
£80,001 - £90,000	1	—
£100,001 - £110,000	—	1
	<u>6</u>	<u>3</u>

Employer contributions made to a defined benefit scheme in respect of the above employees during the year amounted to £51,112 (2015 - £31,835).

The key management personnel of the charity in charge of running and operating the charity on a day to day basis comprise the Governors together with the headteacher, deputy and acting deputy. The total remuneration (including taxable benefits and employers' pension contributions) of the key management personnel for the year was £246,124 (2015 - £259,020).

7 Governors' remuneration

No Governor received any remuneration in respect of their services during the year (2015 - £nil).

During the year travel expenses amounting to £nil (2015 - £208) were reimbursed to trustees.

One Governor, who is also a parent, had children attending the school. Fees paid by the Governors are the same as the fees paid by others. There were no outstanding amounts at the year end. Fees paid by Governors in the year amounted to £14,100 (2015 - £13,800).

The school has purchased insurance to protect the school from any loss arising from the neglect or defaults of its Governors, employees and agents and to indemnify the Governors or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £4,655 (2015 - £5,318) and provides cover of up to a maximum of £2 million (2015 - £2 million).

8 Taxation

St Philip's School Trust Limited is a registered charity and therefore is not liable to corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Notes to the financial statements 31 August 2016

9 Intangible fixed assets

	Total £
Cost or valuation	
At 1 September 2015	50,000
Additions	—
At 31 August 2016	50,000
Amortisation	
At 1 September 2015	7,777
Charge for year	3,333
At 31 August 2016	11,110
Net book values	
At 31 August 2016	38,890
At 31 August 2015	42,223

The intangible fixed assets comprise a licence purchased on 27 March 2013 for £50,000 to allow use of playing fields over a period of 15 years.

10 Tangible fixed assets

	Freehold Property £	Fixtures and equipment £	Total £
Cost or valuation			
At 1 September 2015	3,100,000	257,352	3,357,352
Additions	—	30,758	30,758
Revaluation	1,870,000	—	1,870,000
At 31 August 2016	4,970,000	288,110	5,258,110
At cost	—	258,110	258,110
At valuation	4,711,890	—	4,711,890
	4,970,000	258,110	4,970,000
Depreciation			
At 1 September 2015	—	191,693	191,693
Charge for year	—	24,158	24,158
At 31 August 2016	—	215,851	215,851
Net book values			
At 31 August 2016	4,970,000	72,259	5,042,259
At 31 August 2015	3,100,000	65,659	3,165,659

The school's freehold property at 6 Wetherby Place, London was revalued by Scanlans, Chartered Surveyors, on 16 February 2016 on the basis of its residential value of £4,970,000.

Notes to the financial statements 31 August 2016

11 Debtors

	2016 £	2015 £
Fees receivable	2,161	8,100
Prepayments and accrued income	11,716	41,025
	13,877	49,125

12 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	50,457	17,212
Other creditors	—	11,928
Deposits and fees in advance	411,913	346,699
Accruals	13,344	43,370
Social security and other taxes	34,538	23,711
	510,252	442,920

At the balance sheet date the school was holding funds received in advance for the Autumn 2016 term and also deposits for all pupils who attend the school.

13 Restricted funds

The funds of the school include restricted funds comprising the following balances held on trust to be applied for specific purposes.

	At 1 September 2015 £	Income £	Expenditure £	At 31 August 2016 £
Bursary fund	4,658	—	(4,658)	—

The restricted bursary fund represents grants received to be used for the award of bursaries to students.

14 Designated fund

During the year ended 31 August 2008 the governors set up a bursary fund. The fund is being built up for the award of bursaries and scholarships.

	At 1 September 2015 £	Net designations £	At 31 August 2016 £
Bursary fund	281,430	35,132	316,653

Notes to the financial statements 31 August 2016

15 Revaluation reserve

	Total £
At 1 September 2015	2,841,890
Net movement in year	1,870,000
At 31 August 2016	4,711,890

Details of the revaluation of the School's freehold property are given in note 8.

16 Allocation of net assets

	Fixed assets £	Current assets £	Current liabilities £	Total £
Restricted funds	—	—	—	—
Unrestricted funds				
· General fund	369,259	912,546	(510,252)	771,553
· Designated fund	—	316,563	—	316,563
· Revaluation reserve	4,711,890	—	—	4,711,890
	5,081,149	1,229,109	(510,252)	5,800,006

17 Liability of members

The members of the school guarantee to contribute an amount not exceeding £1 each to the assets of the school in the event of winding up.

18 Pension Commitments

Teachers Pension Scheme (TPS)

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

18 Pension Commitments (continued)

Teachers Pension Scheme (TPS) (continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- ◆ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- ◆ an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- ◆ the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 16.4%, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £98,435 (2015: £86,423)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx>).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The School has accounted for its contributions to the scheme as if it were a defined contribution scheme. The School has set out above the information available on the scheme.

18 Pension Commitments (continued)

Other Pensions

The school made employer contributions in respect of private pension arrangements for one employee (2015 - two employees). A total of £4,748 was paid out during the year ended 31 August 2016 (2015 - £8,167).

19 Related Party Transactions

J Dean is a member of the commercial Property Development at Seddons. The value of the legal services provide to the school during the year was £65,727 including VAT (2015 - £36,834). Seddons do not charge the school for time spent by J Dean on the school's affairs. Time spent by other members of staff is charged at a discounted rate.