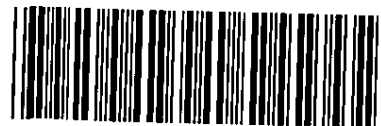


ST PAUL'S GIRLS' SCHOOL
ACCOUNTS
YEAR ENDED 31 AUGUST 2009

Company Registration No. 6142007
Charity Registration No. 1119613

THURSDAY



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14/01/2010
COMPANIES HOUSE

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements for the year ended 31 August 2009.

REFERENCE AND ADMINISTRATIVE INFORMATION

Governors

The Governors serving at the date of this report are as follows:

Ms H Alexander + #
Ms K Bingham * §
Mr C Clayton * # §
Mr R Cunis +
Mrs P Davies +
Mr M de Giorgio +
Sir A Graham
Ms S Hamilton-Fairley +
Dr H Harris +
Mr D Hodson * §
Ms A Hohler *
The Hon H Palmer (Chairman) + * #
Miss J Portrait *
Dame J Rawson (appointed 1 January 2009)
Prof C Roueche

+ Members of the Education Committee
* Members of the Finance and Estates Committee
Members of the Nominations Committee
§ Members of the Investment Committee

The Clerk to the Governors and Company Secretary	Mrs M McGregor
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High Mistress	Ms C Farr
Deputy Head – Director of Studies	Mrs K Clanchy
Deputy Head – Pupil Welfare & Development	Mrs W Furniss
Business Director	Mr A Flanagan

Registered Office and Advisers

Registered Office:	St Paul's Girls' School Brook Green London W6 7BS
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Bankers:	Allied Irish Bank 9/10 Angel Court London EC2R 7AB
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Barclays Wealth
1 Churchill Place
London E14 5HP

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)
REFERENCE AND ADMINISTRATIVE INFORMATION (continued)
Registered Office and Advisers (continued)

Solicitors:	Foot Anstey 21 Derry's Cross Plymouth Devon PL1 2SW
Auditors:	Horwath Clark Whitehill LLP St Bride's House 10 Salisbury Square London EC4Y 8EH
Investment Managers:	Rothschild Private Management Ltd 1 King William Street London EC4N 7AR Barclays Wealth 1 Churchill Place London E14 5HP
Actuary:	Barnett Waddingham Cheapside House 138 Cheapside London EC2V 6BW
Insurance Brokers:	HSBC Insurance Brokers Ltd Rockwood House 9-17 Perrymount Road Haywards Heath West Sussex RH16 3DU

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The school is a charitable company limited by guarantee (company number 6142007, registered charity 1119613) and is governed by its Memorandum and Articles of Association. The member of the charitable company is the Mercers' Company.

Governors

The Governors who served throughout the year, except where otherwise stated on page 1 were Ms H Alexander, Ms K Bingham, Mr C Clayton, Mr R Cunis, Mrs P Davies, Mr M de Giorgio, Sir A Graham, Ms S Hamilton-Fairley, Dr H Harris, Mr D Hodson, Ms A Hohler, The Hon H Palmer, Miss J Portrait, Dame J Rawson and Prof C Roueche.

Dr E Garnett retired on 1 January 2009.

The Governors meet at least once in each school term.

Recruitment, Induction and Training of Governors

Governors are selected by reference to their eligibility, personal competence and specialist skills. The Mercers' Company can appoint up to 19 Governors and the Board of Governors may appoint two. On appointment Governors attend an induction programme at the school. During the course of the year there are further training sessions and recommendations are made about suitable courses for Governors to attend. The Mercers' Company additionally organises training programmes for Governors in conjunction with other schools in which The Mercers' Company has an interest.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational Management

The Governors, as the directors of the company and trustees of the Charity, are responsible for the overall management of the school. Sub-committees, which meet at least twice a year, have been established as follows:

Education Committee:

- consider matters relating to the education and welfare of pupils and make recommendations to the Board.

Finance & Estates Committee:

- monitor and review all aspects of financial performance and management
- advise on the development, use and maintenance of the whole school estate

Nominations Committee:

- review the structure, size and composition of the Board
- identify and nominate candidates for appointment to the Board. Two Governors are typically appointed directly by the Board with the remainder being appointed by the Mercers Company
- undertake an annual performance evaluation of the members of the Board
- initiate the process of searching for suitable persons to hold the office of High Mistress and Business Director

Investment Committee:

- advise and make recommendations to the Finance & Estates Committee in respect of all investment asset classes other than property and assets within the pension fund

The day to day management is delegated to the High Mistress supported by the Senior Management Team. The High Mistress reports once each school term, and on other occasions as required, to the Governors on the activities she has undertaken in managing the school. She attends the Finance & Estates Committee, the Education Committee and the Nominations Committee meetings.

Risk Management

The Governors are responsible for identifying risks faced by the school. A formal review of the school's risk management controls is performed annually. The Governors are satisfied that there are systems in place to manage the risks. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Objects

The objects of the school, as stated in its governing document, are to promote in Greater London the education (including social and physical training) of girls and boys and in particular but without prejudice to the generality of the foregoing to conduct and maintain schools in or near to Greater London for girls and boys. The Governors shall pursue the objects of the school by running a girls' school and may only educate members of the opposite sex with the prior written consent of and subject to any restriction imposed by the Mercers' Company.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Aims and Intended Impact

The school's values and ethos are outlined in the prospectus and website. Academically selective on entry at age 11 or 16 the school provides a stimulating and ambitious programme of study with a rich and diverse extra curricular programme, leading to GCSE and A Level. Expectations are high and the pace brisk, suiting those girls who have a lively intellect and enquiring mind. The school also has a strong commitment to pastoral care and this was rated excellent in the ISI inspection report of 2007. Secular by foundation, the school welcomes students of all faiths and none. St Paul's is proud of its liberal intellectual tradition which emphasises independent learning and a serious commitment to scholarship for its own sake.

In the furtherance of these aims the Governors, as the Charity trustees, confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's published general guidance on public benefit and the relevant sub-sector guidance on fee-charging charities.

Objectives for the Year

Following wide consultation across the school community the school has adopted eight strategic aims covering all areas of its activity which are as follows:

1. To offer an exceptional academic and cultural education for girls, which is both innovative and challenging, and which incorporates but goes well beyond the achieving of outstanding examination results
2. To create a cohesive and supportive yet outward looking community in which individuality, creativity and independence are valued, alongside a sense of responsibility to others, both within and beyond the school
3. To recruit students of conspicuous potential and to build the requisite resources to achieve an intake which reflects the social, cultural and economic diversity of the capital, aiming at a total roll of not more than 728
4. To widen the access for means-tested bursaries and to offer awards of up to 100% of the tuition fee
5. To attract and retain teaching and non teaching staff of the highest calibre, committed to delivering the school's vision
6. To continue to develop the existing site, technical infrastructure and management processes to meet the evolving educational needs of the school
7. To build stronger and more productive links with the wider SPGS community locally, nationally and internationally, to include parents, past parents and alumnae
8. To establish further and enhance the reputation of SPGS as the pre-eminent girls' day school, taking a lead in educational debate and policy development, nationally and internationally

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Strategies to Achieve the Year's Objectives

Activities relating to the strategies above are carried forward by the school's extended senior management team of 9 and are set out in the iterative action plan document for the year. These have included:

- Establishing a system of five form entry at 11 to ensure smaller classes
- Planning improvements to the admissions process at 11+
- Developing the recruitment of candidates from diverse backgrounds
- Introducing improved systems for monitoring pupil progress
- Improving open events to introduce prospective parents to the school
- Introducing a professional HR function
- Establishing a process for staff professional development
- Refurbishing and upgrading the great hall
- Implementing a new landscaping scheme at the front of the school
- Improving the entrance to the school for students
- Extending the school's IT provision
- Further developing the school's corporate literature and website
- Setting up a working partnership with a London maintained secondary school
- Ensuring that terms and conditions for staff are attractive and competitive

Principal Activities of the Year (Including Public Benefit)

The school is academically selective and educates girls from age 11-18. In September 2008 there were 714 students on roll with 213 of these in the senior school (sixth form). The school has an excellent rate of retention at 16+ with very small numbers leaving to go to other schools. Approximately 50 will apply to join the senior school each year and a few places are offered depending on spaces available.

A broad curriculum is offered including classical languages and Mandarin Chinese with significant strength in all academic areas. The school offers GCSE at 16 with its own, school directed courses in Art and Music. A level is the post 16 qualification pursued by all students.

The school has for many years shared its facilities with local groups and charities. For example, the Greenhouse Schools Project for children from disadvantaged backgrounds, and several local primary schools.

During the year ended 31 August 2009, 62 (2008: 67) girls received means-tested awards and bursaries, 20 (2008: 17) girls received music scholarships and 32 (2008: 37) girls received academic and art scholarships. Developing closer links with maintained primary schools and building a more significant fund enabling us to offer more bursaries is a major priority for the future.

An established relationship with Wembley High School is providing opportunities for students approaching GCSEs to attend enrichment classes at St Paul's and there have been some productive links established between academic departments at the two schools.

Awards-making Policy

The school encourages candidates of particular academic potential to apply to the school and all applicants sit the same admissions process. The school has a system of financial assessment for those who do not have the means to pay the fees. Awards are made on the basis of detailed means testing which includes a home visit and the percentage reduction offered is up to 100% of the tuition fee. Assessment is repeated annually.

Fundraising

During the year St Paul's Girls' School continued in its campaign to raise funds for bursaries in order to widen access to the school. A total of £854,000 was secured in donations and pledges for future donations.

Thanks to continuing support from donors and the performance of our investment managers the bursary endowment was valued at over £4million at the end of the year.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Fundraising (continued)

A report was sent out by the Development Office to all donors during the autumn term to thank them and let them know of developments during the previous financial year and future plans. A similar report is being prepared for this financial year-end.

During the spring and summer terms we continued to seek funds for bursaries. The Governors' target is to eventually offer financial assistance, in the form of bursaries and scholarships, to 25% of girls in the school. 9% of the school's pupils received means tested bursaries during 2008/09.

In spring 2009 the parents of the 2009 leavers were particularly successful in organising a bursary syndicate of 46 participants to secure donations and pledges of just over £269,000 to fund full bursaries for two new recipients who joined the school in September 2009.

Three dinners were held during the spring and summer terms to inform a number of constituents of the school's ambitions to widen access and expand the school's bursary programme. These resulted in several major donations to both the revenue fund and the bursary endowment for which we are most grateful. Discussions are continuing with a number of potential donors who have expressed an interest in the bursary programme.

We especially welcomed continuing support from a number of trusts including The Staples Trust, The Ogden Education Trust, HSBC Education Trust, John Lyon's Charity, The Rowan Educational Trust, The Mercers' Company and JP Morgan Chase & Co. We would also like to thank The St Paul's Girls' School Parents Guild for their contribution towards our hardship fund.

As a result of donations received during the year we were able to offer fully funded bursaries to seven MIVth girls who joined us in September 2009.

Over the summer holidays annual progress reports were sent to donors to the bursary fund, endowment and bursary syndicate members who funded pupils during the year.

In school, we collaborated to organise several fundraising events including a sponsored swim, a sponsored walk and a MIVth fair in which the girls participated to raise funds for the bursary programme.

Alumnae Activities

With the appointment of a full-time alumnae relations manager in December 2008, the school continues to build and strengthen relationships with its former pupils. In the last year, the school has organised a diverse range of alumnae events. These included two open days at Oxford and Cambridge in February 2009, when current pupils interested in applying to the universities could visit and talk with Old Paulinas studying there; a reception for World War II Paulinas in May 2009 to mark the unveiling of the classroom dedicated to their teachers and a reunion in June 2009 for the class of 1998 and their teachers.

The Wessex branch of the Old Paulina League and Old Pauline Club hosted two lunches, one in Devon and one in Bath, and we have continued to host a number of joint events with St Paul's School including a business breakfast in the City and a recent stand-up comedy night. A number of Old Paulinas also attended dinners in Washington DC and San Francisco in April 2009 as part of the celebrations to mark St Paul's School quincentenary anniversary. We have also been delighted to welcome back many old girls at the numerous concerts, plays and exhibitions that take place at school throughout the year.

Communications with Old Paulinas are improving, with the introduction of a monthly e-mail bulletin that currently reaches 2,500 alumnae, and the next issue of the Review magazine has been increased from 12 to 16 pages to incorporate additional alumnae news. A programme is also under way to track down those alumnae with whom we have lost touch over the years – at present over 2,000 Old Paulinas are unaccounted for on the alumnae database.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Academic achievement was once again reflected in outstanding public examination results at GCSE and A levels. At A level over 93% of results were at grade A with 90 candidates out of 108 scoring A's across the board. At GCSE over 97% of results were A and A*, 28 candidates achieving an A* in all their subjects. These results were amongst the best in recent years.

Music had another successful year. Performances included Saint-Saens' *Carnival of the Animals* and Frank Bridge's *The Christmas Rose*, as well as Pergolesi's *Stabat Mater*. Individual and ensemble work continues to reach a very high level. Excellent results were also achieved in the school directed course which replaces GCSE and at A level.

In Art, students maintained their customary high standards achieving similarly excellent results both in the school directed course and at A level. There were two major exhibitions showcasing these courses during the year, which drew large numbers of visitors.

Sport continues to be an important part of school life and students enjoy a wide range of competitive team and individual sports. Many girls have also reached an outstanding level in their chosen sports pursued outside school including fencing, sailing, climbing, skiing and tennis.

Other clubs and societies flourish covering most subject areas including History, Maths, Literature, Politics and Science, many of these being led by students. Speakers addressing the senior school as part of the Friday lecture programme over the past year have included writers and journalists Ben MacIntyre and Victoria Schofield, novelist William Boyd, professor Sir Roy Anderson, Rector of Imperial College London and Peter Ricketts, Permanent Under-Secretary and Head of the Diplomatic Service.

Paulinas have continued to pursue their education beyond the school gates. Visits and exchanges have taken place to a range of overseas destinations including Prague, Marseilles, Barcelona, Bonn, Berlin, Munich and Dresden. Our exchange programmes with schools in Sydney, Washington DC, Concord New Hampshire and New York have continued to offer a broadening of perspective and the chance to form friendships across the world.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results of the company are presented on page 11 of this report. The school generated total net incoming resources of £926,000 of which £750,000 is unrestricted (before transfers between funds). The unrestricted surplus before transfers represents 6.6% of total unrestricted incoming resources compared with 9.0% in the previous year.

The total income for the year ended 31 August 2009 was £12,153,000 (2008: £12,945,000) of which £10,327,000 (2008: £9,542,000) was fee income. The total resources expended were £11,227,000 (2008: £10,254,000), the most significant expense being staff costs which represents 63% of outgoing resources. Capital expenditure in the year was £515,000 (2008: £1,319,000). The major investment in this financial year has been in the development of the IT infrastructure and equipment.

Reserves Policy

The free reserves of the school comprise the unrestricted funds excluding the charitable operating properties and designated funds. The Governors consider that holding reserves of up to an average of four months of unrestricted total resources expended is an appropriate target. Free reserves at 31 August 2009, before taking the pension deficit into account totalled £4,527,000 (2008: £3,582,000) which represents approximately five months of total unrestricted resources expended. This is therefore in line with the target set by the Governors.

A designated fund representing 1% of gross fees per annum has been established for bursaries and major capital repairs over the next ten years. The previously designated property fund of £121,000 was transferred to the buildings fund in the year.

The defined benefit pension scheme for the non-teaching staff is in deficit amounting to £2,011,000 (2008: £1,338,000) which impacts on the free reserves of the school disclosed above. The school has made additional contributions totalling £100,000 (2008: £100,000) in the year.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR (continued)

Investments

On 1 September 2008, the assets of the St Paul's Girls' School Development Trust were merged with those of the school creating a significantly larger investment fund to manage. In November 2008, following an interview and selection process, Rothschild Private Management Limited took over from the previous advisors, Barclays Wealth and Cazenove Capital Investment, as the managers of our investment portfolio.

The fee composition scheme continues to be managed by Barclays Wealth.

Investment Policy

Rothschild have been given discretionary power to manage the portfolio on a day to day basis and report to the Investment Committee at least once a year. They have been instructed to adopt a medium risk/moderate investment strategy, that the timescale for performance of the portfolio is long term (over 10 years), and that they should aim for a balance of capital growth and income. There are no restrictions on the asset classes that they can invest in other than that they are qualifying investments and that they should not enter forward foreign exchange contracts.

The target set by the Investment Committee was that they should generate a total return of 5% on the investment portfolio.

The fee composition scheme's assets are invested in fixed interest treasury stocks which are a low risk fixed rate of return investment.

Investment Performance against Objectives

At the time of Rothschild's appointment the financial and banking sectors were in turmoil. The portfolios managed by Cazenove and Barclays were disposed realising the sum of £3,308,000. During the year, a further £200,000 was passed to Rothschild for investment. Rothschild has since restructured the combined portfolio and actively managed it so that the portfolio, including cash held, was worth £4,173,000 at 31 August 2009. The income yield on the total portfolio was 2.0%.

The Investment Committee consider the performance of the investment portfolio as satisfactory.

The fee composition assets were valued at £1,114,000 at 31 August 2009, with a historical cost of £1,102,000.

FUTURE PLANS

The strategic aims outlined above remain in place for the next three years and will determine future plans. St Paul's is constantly reviewing its educational provision, its resources and its facilities in line with the strategic objectives set out above.

Over the coming year we hope to begin work on a number of initiatives including the following:

- Reviewing the site and facilities and in particular addressing the refurbishment of the Singing Hall and Holst Music wing
- Continuing structural IT development
- Reviewing the middle school curriculum and the GCSE specification
- Ensuring better tracking of student progress allowing for structured improvement
- Implementing our new admissions procedures so as to provide an accurate assessment of all candidates, regardless of their current educational setting
- Extending our relationships with feeder schools in the maintained sector
- Building a more significant fund for the financing of bursaries
- Improving our communications at all levels both within the community and beyond, in particular developing closer links with our alumnae

**ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009**

TRUSTEES' REPORT (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 Trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time 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 ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustees in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Trustees and signed on their behalf by:



The Hon H Palmer
Chairman of Governors

8 December 2009

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S GIRLS' SCHOOL

We have audited the financial statements of St Paul's Girls' School for the year ended 31 August 2009 set out on pages 11 to 26. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 to 496 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.

Respective responsibilities of Trustees and auditor

The Trustees' (who are also the directors of St Paul's Girls' School for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you if in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding Trustees' remuneration and other transactions with the charitable company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the charitable company as at 31 August 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Report is consistent with the financial statements.


Horwath Clark Whitehill LLP

Chartered Accountants and Statutory Auditor

Tim Baines

Senior Statutory Auditor

Date:

6 December 2009

St Bride's House
10 Salisbury Square
London
EC4Y 8EH

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
For the year ended 31 August 2009

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2009 £'000	Total 2008 £'000
Incoming resources						
Incoming Resources from Charitable Activities:						
Fees	3	10,327	-	-	10,327	9,542
Other educational income		386	-	-	386	278
Grants		-	173	-	173	553
Incoming Resources from Generated Funds:						
Trading income		332	-	-	332	302
Rents		69	-	-	69	63
Investment Income	4	212	104	-	316	406
Donations, gifts and legacies		-	473	52	525	1,778
Other incoming resources		25	-	-	25	23
Total incoming resources		11,351	750	52	12,153	12,945
Resources expended						
Costs of Generating Funds	6	485	16	-	501	304
Charitable Activities:						
Provision of education	6	10,052	608	-	10,660	9,889
Governance Costs		64	2	-	66	61
Total resources expended	5&6	10,601	626	-	11,227	10,254
Net incoming resources before transfers		750	124	52	926	2,691
Transfers between funds	8	28	(151)	123	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		778	(27)	175	926	2,691
Realised losses on investments	9	(8)	(14)	(451)	(473)	(3)
Net income / (expenditure) for the year		770	(41)	(276)	453	2,688
Unrealised gains / (losses) on investments	9	19	9	572	600	(106)
Pension scheme actuarial loss	19	(681)	-	-	(681)	(333)
Net movement in funds		108	(32)	296	372	2,249
Transfer from St Paul's Girls' School Development Trust	2	-	125	2,923	3,048	-
Transfer from St Paul's Schools Foundation	2	-	-	-	-	10,916
Fund balances at 1 September 2008		11,850	345	970	13,165	-
Fund balances at 31 August 2009		11,958	438	4,189	16,585	13,165

The attached notes on pages 14 to 26 form an integral part of these accounts.

All of the school's activities represent continuing operations.


ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

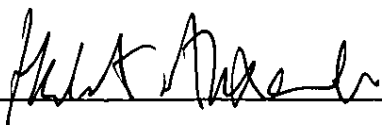
BALANCE SHEET
As at 31 August 2009

	Notes	2009 £'000	2009 £'000	2008 £'000	2008 £'000
Fixed assets					
Tangible assets	7		10,582		10,707
Investments	9		4,898		1,849
			<u>15,480</u>		<u>12,556</u>
Current assets					
Stock		134		146	
Debtors	10	388		322	
Cash		<u>6,003</u>		<u>4,994</u>	
		6,525		5,462	
Current liabilities					
Creditors: amounts falling due within one year	11	<u>(1,370)</u>		<u>(1,805)</u>	
Net current assets			<u>5,155</u>		<u>3,657</u>
Total assets less current liabilities			20,635		16,213
Creditors: amounts falling due after more than one year	12		<u>(2,039)</u>		<u>(1,710)</u>
Net assets excluding pension liability			18,596		14,503
Pension scheme liability	19		<u>(2,011)</u>		<u>(1,338)</u>
Net assets including pension liability			<u>16,585</u>		<u>13,165</u>
Funds					
Endowment	15,16		4,189		970
Restricted	15,16		438		345
Unrestricted	15,16		<u>13,969</u>		<u>13,188</u>
Total Funds before pension liability			18,596		14,503
Pension Scheme funding reserve	19		<u>(2,011)</u>		<u>(1,338)</u>
Total Funds including deficit on pension scheme reserve			<u>16,585</u>		<u>13,165</u>

The attached notes on pages 14 to 26 form an integral part of these accounts.

Approved by the Trustees and authorised for issue on 8 December 2009 and signed on their behalf by:





ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

CASH FLOW STATEMENT

For the year ended 31 August 2009

	Notes	2009		2008	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	20		812		3,474
Returns on investment and servicing of finance					
Dividends		73		44	
Interest received		<u>243</u>		<u>362</u>	
			316		406
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(515)		(1,289)	
Proceeds from sale of tangible fixed assets		-		2	
Purchase of investments		(4,262)		(330)	
Proceeds from sale of investments		<u>3,715</u>		<u>155</u>	
			(1,062)		(1,462)
Movement in cash before advance fees			66		2,418
 New advance fees		 513		 363	
Amounts accrued to advance fee contracts		5		2	
Amounts utilised and repaid		<u>(248)</u>		<u>(275)</u>	
			270		90
Increase in cash			336		2,508
 Transferred from St Paul's Girls's School Development Trust			673		-
Transferred from St Paul's Schools Foundation			-		2,486
Cash at 1 September 2008			<u>4,994</u>		<u>-</u>
Cash at 31 August 2009			<u>6,003</u>		<u>4,994</u>

The attached notes on pages 14 to 26 form an integral part of these accounts.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS - 31 AUGUST 2009

1. STATEMENT OF ACCOUNTING POLICIES

Accounting basis

The accounts are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005. They are drawn up under the historical cost convention as modified by the revaluation, at market value, of investments.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the year in which the services are provided.

Fees receivable are stated after deducting bursaries, scholarships and other remissions allowed by the school, but include contributions received from restricted bursary funds and third parties.

Registration fees are non-refundable and are credited to income when received.

Deposits are included as a liability until refunded or, on ceasing to be refundable, are credited to income.

Advance fees are credited to income as and when they fall due.

Income

Rents are stated gross and are included on an accruals basis. Interest is included on an accruals basis. Dividends from investment funds are included as receivable on the due dates.

Donations

Donations received for the general purposes of the school are credited to Unrestricted Funds. Donations subject to specific wishes of the donors are credited to the relevant Restricted Fund, or to Endowment Funds where the amount is held as expendable capital.

Investment gains and losses

Unrealised gains and losses for the year reflect the movement in market values. Realised gains and losses represent the difference between proceeds on disposal and the market value brought forward. All gains and losses are shown net in the Statement of Financial Activities.

Investments

Investments are stated at market value.

Resources Expended

All expenditure is included on an accruals basis and is allocated to activities on a direct basis. Support costs mainly represent office administration. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred. Governance costs comprise the costs of running the school, including strategic planning for its future development, external audit, legal advice and all the costs of complying with constitutional and statutory requirements.

Grants

Grants payable are charged in the year when the offer is conveyed to the recipient except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions have been fulfilled.

Operating leases

The annual rental for operating leases is charged to the Statement of Financial Activities on a straight line basis over the lease term.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

Funds

The school has three types of fund:

- Endowment - where the capital is held in perpetuity to generate distributable income;
- Restricted - where the purposes for which the funds may be used have been restricted by donors; and
- Unrestricted - where the fund is not restricted as to use other than in furthering the objects of the school. These include Designated Funds, where the funds are unrestricted but the Trustees have designated them for a specific purpose.

Pension schemes

The school contributes to the Teachers' Pension Agency, costs being charged to the Statement of Financial Activities when incurred. The school also contributes to St Paul's Schools' Non-Teaching Staff Pension Fund. The school has fully adopted the requirements of Financial Reporting Standard 17. Following the closure of the Non-Teaching Staff defined benefits scheme to new members, certain Non-Teaching members of staff contribute into a separate defined contribution scheme. Costs associated with this scheme are charged to the Statement of Financial Activities when incurred.

Capitalisation and replacement

All assets purchased are included at their purchase price, together with any incidental expenses of acquisition. Assets with a cost below £5,000 are not capitalised.

Depreciation

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

Charitable properties	20-50 Years
Computers	4 Years
Furniture, fittings and equipment	5-10 years

Stock

Stock representing books, sports uniforms, stationery and kitchen supplies, is stated at the lower of cost and estimated realisable value.

2. TRANSFER FROM ST PAUL'S GIRLS' SCHOOL DEVELOPMENT TRUST

On 1 September 2008, under a transfer deed, the assets and liabilities of the St Paul's Girls' School Development Trust were transferred to the school. The transfer is shown on the Charity Commission's Register of Mergers and the Trust (registered charity 312719) has been removed from the Register of Charities. The assets and liabilities transferred were as follows:

	£000's
Fixed asset investments	2,375
Current assets	690
Current liabilities	<u>(17)</u>
Net assets	<u>3,048</u>

The transfer of the assets and liabilities from St Paul's Girls' School Development Trust has been dealt with as a merger at book value based on the principles of merger accounting set out in Financial Reporting Standard 6.

The transfer of £10,916,000 in the period to 31 August 2008 represented the transfer of various assets and liabilities to the school as part of the restructuring of the St Paul's Schools Foundation.

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

3. FEES	2009	2008
Fees consist of:	£'000	£'000
Gross fees	10,701	9,929
Less: bursaries, grants and allowances	(965)	(920)

9,736	9,009
--------------	--------------

Add: bursaries and grants received from restricted funds

591	533
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10,327	9,542
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4. INVESTMENT INCOME	2009	2008
	£'000	£'000
Dividends	73	44
Bank and building society interest	243	362

316	406
------------	------------

5. TOTAL RESOURCES EXPENDED	2009	2008
	£'000	£'000

Includes:

Wages and salaries	5,742	5,373
Social security costs	518	482
Pension costs	732	817
Peripatetic costs	63	111
	7,055	6,783

Staff benefits:

Medical insurance	40	39
	7,095	6,822

Auditors' remuneration:

For audit	23	22
Other	6	4

The average number of persons employed on a full-time equivalent basis by the charity during the year was:

Educational	95	89
Other	57	58
	152	147

The average number of persons employed excludes peripatetic staff whose numbers vary according to the teaching needs of the school.

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

5. TOTAL RESOURCES EXPENDED (continued)

The Trustees have not received any emoluments during the year (2008: £Nil). One Trustee (2008: none) received reimbursement of travel expenses amounting to £225 (2008: £Nil).

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

	2009	2008
£60,000 - £69,999	9	5
£70,000 - £79,999	1	-
£110,000 - £119,999	-	1
£130,000 - £139,999	-	1
£150,000 - £159,999	1	-

For ten (2008: seven) of the above staff, pension contributions amounting to £100,000 (2008: £71,000) were paid for the provision of defined benefits pension schemes. One staff member (2008: nil) had benefits of £8,000 accruing under defined contribution pension schemes.

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other £'000	Deprec- iation £'000	2009 Total £'000	2008 Total £'000
Costs of generating funds:					
Trading costs	30	291	-	321	279
Financing costs	-	60	-	60	-
Fundraising	86	18	-	104	-
Investment management	-	16	-	16	25
	116	385	-	501	304
Charitable Activities					
Education	5,358	1,032	89	6,479	6,195
Welfare	396	292	-	688	605
Premises	505	891	551	1,947	1,495
Support costs	720	229	-	949	975
Grants, awards and prizes	-	597	-	597	619
	6,979	3,041	640	10,660	9,889
Governance costs	-	66	-	66	61
	7,095	3,492	640	11,227	10,254

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

7. TANGIBLE ASSETS

	Charitable Properties £'000	Furniture Fittings & Equipment £'000	Computers £'000	Total £'000
Cost				
At 1 September 2008	10,202	1,669	162	12,033
Additions	37	213	265	515
Disposals	-	(116)	(57)	(173)
At 31 August 2009	10,239	1,766	370	12,375
Depreciation				
At 1 September 2008	813	423	90	1,326
Charge for the year	305	269	66	640
Disposals	-	(116)	(57)	(173)
At 31 August 2009	1,118	576	99	1,793
Net book value				
At 31 August 2009	9,121	1,190	271	10,582
At 31 August 2008	9,389	1,246	72	10,707

8. TRANSFERS BETWEEN FUNDS

The transfer of £151,000 from restricted funds to endowment funds (£123,000) and unrestricted funds (£28,000) represents the following:

- A £150,000 donation for Foundation bursaries has been reclassified as endowment funds following correspondence with the donor;
- Following correspondence with the Charity Commission on the school's prize funds, a bursary fund of £10,000 has been reclassified from endowed prize funds to endowed bursary funds;
- Following correspondence with the Charity Commission, £27,000 of endowed prize funds have been reclassified as restricted prize funds; and
- A total of £28,000 of donations towards the Singing Hall building project have been transferred from restricted to unrestricted funds as the funds have been expended and therefore the restriction on these funds has been met.

9. INVESTMENTS

	Listed investments	
	2009	2008
	£'000	£'000
Valuations at 1 September 2008	1,849	-
Transferred from St Paul's Girls' School Development Trust	2,375	-
Transferred from St Paul's Schools Foundation	-	1,783
Additions	4,262	330
Disposal proceeds	(3,715)	(155)
Gains / (losses) on investments	127	(109)
As at 31 August 2009	4,898	1,849
Historical cost of Investments:	4,618	1,963

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

9. INVESTMENTS (continued)

The breakdown of listed investments as at 31 August 2009 is as follows (comparative figures are not provided due to the major restructuring of the portfolio which took place during the year):

	£'000
UK equities	1,351
Overseas equities	506
Fixed interest - UK	1,694
Fixed interest - overseas	846
Alternative investments - UK	235
Alternative investments - overseas	266
	<u>4,898</u>

The total amount of UK investments is £3,280,000 and the total amount of overseas investments is £1,618,000.

There were no investments representing more than 5% of the total market value of the portfolio as at 31 August 2009.

10. DEBTORS

	2009	2008
	£'000	£'000
Fee debtors	20	5
Loans to staff	57	76
Sundry debtors	158	143
Prepayments	153	98
	<u>388</u>	<u>322</u>

The loans to staff mainly represent housing loans to teaching employees of the school. The loans are repayable over periods of 1 to 7 years and are interest-free, while employees remain at the school, otherwise interest is charged on the outstanding balance at commercial rates.

11. CREDITORS: due within one year

	2009	2008
	£'000	£'000
Trade creditors	260	687
Fees received in advance	212	325
Refundable deposits (note 13)	126	71
Advanced fees scheme (note 13)	301	221
Taxation and Social Security	155	143
Other creditors and accruals	316	358
	<u>1,370</u>	<u>1,805</u>

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

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

	2009	2008
	£'000	£'000
Refundable deposits (note 13)	1,156	1,017
Advanced fees scheme (note 13)	883	693
	<u>2,039</u>	<u>1,710</u>

13. REFUNDABLE DEPOSITS and ADVANCED FEES SCHEME

Refundable Deposits

Deposits are placed when pupils join the school and credited against fees and disbursements for their last term and are analysed below.

Advanced Fees Scheme

Parents may enter into a contract to pay to the school up to the equivalent of seven years' fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils will remain in the school, the contractual liability of the school is shown below.

	Refundable deposits		Advanced fees scheme	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
After 5 years	467	433	96	80
Between 2 to 5 years	547	458	522	410
Between 1 to 2 years	142	126	265	203
After more than 1 year	1,156	1,017	883	693
Within 1 year	126	71	301	221
	<u>1,282</u>	<u>1,088</u>	<u>1,184</u>	<u>914</u>

Advanced fees represents the accrued liability under the contracts; appropriate investments are held so that on maturity the proceeds will match these liabilities. The movements during the year were:

	2009	2008
	£'000	£'000
As at 1 September 2008	914	824
New contracts	513	363
Amounts accrued to contracts	5	2
	<u>1,432</u>	<u>1,189</u>
Amounts utilised in payment of fees	(248)	(275)
	<u>1,184</u>	<u>914</u>

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

14. OPERATING LEASE COMMITMENTS

The school has the following annual commitments under operating leases:

	2009	2008
	£'000	£'000
Between one and two years	-	3
Between two to five years	2	2
	<hr/>	<hr/>
	2	5

None of the above involve land and buildings nor do they extend beyond five years.

15. ANALYSIS OF NET ASSETS

The school's net assets are held for various funds and advance fees as follows:

Group	Fixed	Investments	Net Current	Long Term	Total
	Assets		Assets	Liabilities & Pension Deficit	
	£'000	£'000	£'000	£'000	£'000
Endowment Funds	-	3,737	452	-	4,189
Restricted Funds	-	47	391	-	438
Unrestricted Funds	10,582	1,114	4,312	(4,050)	11,958
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	10,582	4,898	5,155	(4,050)	16,585

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

16. FUNDS

	1 Sep 2008 £'000	Transferred From SPGSDT £'000	Incoming Resources £'000	Resources Expended £'000	Transfers & Investment Losses £'000	31 Aug 2009 £'000
Endowed funds						
Bursary Funds	918	2,923	51	-	281	4,173
Prize Funds	52	-	1	-	(37)	16
	970	2,923	52	-	244	4,189
Restricted funds						
Foundation Bursary Funds	283	107	559	(436)	(150)	363
Bursaries – Third Parties	-	-	153	(153)	-	-
Prize Funds	28	-	1	(5)	22	46
Foundation Buildings	-	18	8	-	(26)	-
Sundry Restricted Funds	34	-	29	(32)	(2)	29
	345	125	750	(626)	(156)	438
Unrestricted funds						
General Reserves	11,633	-	11,351	(10,601)	(746)	11,637
Property Fund	121	-	-	-	(121)	-
Bursaries Fund	48	-	-	-	52	100
Buildings Fund	48	-	-	-	173	221
	11,850	-	11,351	(10,601)	(642)	11,958

Endowed Funds

Endowed funds are for bursary and prize funds. For these funds the capital is endowed and the arising income is restricted for the expenditure as shown by the type of endowment fund. All endowed funds are expendable endowments.

Restricted Funds

The bursary funds represent accumulated income on various restricted and endowed gifts intended to fund bursaries for pupils. Prize funds are for the costs associated with awarding the various prizes. The Foundation buildings fund was created for buildings programmes.

Designated Funds

The property fund represented amounts designated for the future maintenance of the buildings. These funds were transferred to the buildings fund during the year. The bursaries and buildings funds were set up by the Trustees during the period to 31 August 2008 to set aside amounts for the provision of bursaries and towards the school's building programme. All of the designated funds are expected to be spent in the short to medium term.

17. CONTRACTS AND COMMITMENTS

At 31 August 2009, there were no authorised capital commitments (2008: £113,000).

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

18. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 August 2009 (2008: none).

19. PENSIONS

a) Non Teaching Staff Pension Fund

The school makes contributions to the St Paul's Schools Non Teaching Staff Pension Fund, a defined benefit scheme, in accordance with the Actuary's advice. A full actuarial valuation was carried out at 31 August 2008. The 31 August 2008 valuation has been updated to 31 August 2009 for the purpose of compliance with Financial Reporting Standard 17. The principal assumptions used in that valuation are as follows:

	2009	2008
Rate of increase in salaries	4.3%	5.0%
Discount rate	5.7%	6.4%
Inflation assumption	3.3%	4.0%
5% LPI pension increase assumption	3.3%	3.9%
2.5% LPI pension increase assumption	2.4%	2.5%

Average future life expectancy for mortality tables used to determine actuarial value of liability:

	Male		Female	
	2009	2008	2009	2008
Members attaining age 60 at year-end	28.3 years	25.5 years	30.9 years	28.3 years
Members attaining aged 60 20 years from year-end	29.8 years	26.5 years	32.1 years	29.4 years

The assets in the scheme and the expected rate of return as advised by the Actuary are:

	Long term rate of return expected at 31/08/2009	Value at 31/08/2009 £'000	Proportion of total assets at 31/08/2009	Long term rate of return expected at 31/08/2008	Value at 31/08/2008 £'000	Proportion of total assets at 31/08/2008
Equities	8.0%	1,273	54%	8.0%	1,391	55%
Bonds	6.0%	509	22%	6.0%	543	21%
Other	4.0%	53	2%	4.0%	3	0%
Secured pensions	5.7%	531	22%	6.4%	593	23%
Total market value of assets		2,366			2,530	
Present value of scheme liabilities		(4,377)			(3,868)	
Deficit in scheme		(2,011)			(1,338)	

The actual return on the Scheme's assets net of expenses over the year to the review date was approximately -11.8% (2008: -11.6%). The assets do not include any investment in shares of the company. The expected return on assets is a weighted average of the assumed long-term returns for the various asset classes.

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

19. PENSIONS (continued)

FRS 17 disclosures as at 31 August 2009

Amounts Recognised in the Balance Sheet at 31 August 2009

	Value at 31 August 2009 £'000	Value at 31 August 2008 £'000
Fair value of assets	2,366	2,530
Present value of funded obligations	<u>(4,377)</u>	<u>(3,868)</u>
Scheme deficit	<u>(2,011)</u>	<u>(1,338)</u>

Amounts disclosed on the balance sheet are made up of:

	Value at 31 August 2009 £'000	Value at 31 August 2008 £'000
Liabilities:		
Present value of funded obligations	(4,377)	(3,868)
Assets:		
Fair value of assets	<u>2,366</u>	<u>2,530</u>
Net liability	<u>(2,011)</u>	<u>(1,338)</u>

Amounts Recognised in the Statement of Financial Activities

	31 August 2009 £'000	31 August 2008 £'000
Current service cost	111	155
Interest cost	240	169
Expected return on assets	(189)	(156)
Past service cost	<u>18</u>	<u>31</u>
Total	<u>180</u>	<u>199</u>

Reconciliation of Assets and Defined Benefit Obligation

The change in assets over the year was:

	31 August 2009 £'000	31 August 2008 £'000
Fair value of assets at 1 September 2008	2,530	2,611
Expected return on assets	189	156
Total contributions	294	180
Benefits and expenses paid	(176)	58
Actuarial loss	<u>(471)</u>	<u>(475)</u>
Fair value of assets at 31 August 2009	<u>2,366</u>	<u>2,530</u>

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

19. PENSIONS (continued)

The change in defined benefit obligation over the year was:

	31 August 2009	31 August 2008
	£'000	£'000
Defined benefit obligation at 1 September 2008	3,868	3,542
Current service cost	111	155
Contributions by scheme participants	60	180
Past service cost	18	31
Interest cost	240	169
Benefits paid	(130)	(58)
Actuarial loss / (gain)	<u>210</u>	<u>(151)</u>
Defined benefit obligation at 31 August 2009	<u>4,377</u>	<u>3,868</u>

The pension charge in the year payable by the school in respect of non teaching staff was £202,000 (2008: £208,000). No further charge was incurred in respect of a shortfall in the pension contributions for part time employees. The pension cost charge in the year in respect of the Non-Teaching Staff defined contribution scheme was £51,000 (2008: £35,000).

b) Teaching Staff Pension Scheme

The school participates in the Teachers' Pension Scheme (England and Wales) ("the scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the scheme which are attributable to the school.

The latest actuarial valuation of the scheme by the Government Actuary issued in October 2006 relating to the period 1 April 2001 to 31 March 2004 revealed that the total liabilities of the scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

From 1 January 2007 as a part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%. The supplementary contribution rate has been assessed to be 0.75% to balance the scheme's assets and liabilities within 15 years as required by the regulations. A total contribution rate of 20.5% translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable. The valuation of the scheme by the Government Actuary as at 31 March 2008 is expected to be issued early in 2010.

The pension cost charge for the year payable by the school in respect of teaching staff was £538,000 (2008: £504,000).

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2009

NOTES TO THE ACCOUNTS (continued)

20. RECONCILIATION OF NET INCOMING RESOURCES TO

NET CASH INFLOW FROM OPERATIONS	2009	2008
	£'000	£'000
Net incoming resources	926	2,691
Depreciation charge	640	491
Loss on disposal of tangible fixed assets	-	9
Dividend income	(73)	(44)
Interest receivable	(243)	(362)
Decrease / (increase) in stock	12	(16)
Increase in debtors	(66)	(94)
(Decrease) / increase in creditors	(570)	528
Pension costs arising from FRS17	(8)	83
Increase in refundable deposits	194	188
	812	3,474

21. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	2009	2008
	£'000	£'000
Opening cash at bank	4,994	-
Transferred from St Paul's Girls' School Development Trust (2008: Foundation)	673	2,486
Change in year	336	2,508
Closing cash at bank	6,003	4,994

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

The Mercers' Educational Trust Fund made bursary grants of £20,000 (2008: £20,000) to the school.

Until the transfer of the assets and liabilities of St Paul's Girls' School Development Trust to the school on 1 September 2008, the school was connected to the Trust (charity registration number 312719), by way of a common Trustee, The Hon H W Palmer. During the period to 31 August 2008 the Trust made grants of £1.5 million to St Paul's Girls' School.

The school paid rent of £1,000 (2008: £1,000) to St Paul's Schools Foundation during the year.