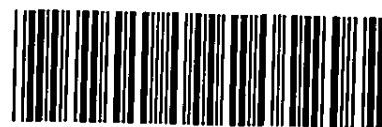


ST PAUL'S GIRLS' SCHOOL
ACCOUNTS
YEAR ENDED 31 AUGUST 2010

Company Registration No. 6142007
Charity Registration No. 1119613

WEDNESDAY



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COMPANIES HOUSE

ST PAUL'S GIRLS' SCHOOL ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT

The Trustees present their report and the audited financial statements for the year ended 31 August 2010

REFERENCE AND ADMINISTRATIVE INFORMATION

Governors

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

Ms H Alexander + #
Mr M Aspinall (appointed 9 July 2010)
Ms K Bingham * §
Mr C Clayton * # §
Mr R Cunis (Chairman) + #
Mrs P Davies +
Mr M de Giorgio +
Ms S Hamilton-Fairley
Mr D Hodson * §
Ms A Hohler *
The Hon T Palmer (appointed 9 July 2010)
Miss J Portrait *
Prof Dame J Rawson +
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

High Mistress

Ms C Farr

Deputy Head

Mrs K Clanchy

Business Director

Mr A Flanagan

Registered Office and Advisers

Registered Office

St Paul's Girls' School
Brook Green
London W6 7BS

Bankers

Allied Irish Bank
9/10 Angel Court
London EC2R 7AB

Barclays Wealth
1 Churchill Place
London E14 5HP

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT (continued)

REFERENCE AND ADMINISTRATIVE INFORMATION (continued)

Registered Office and Advisers (continued)

Solicitors	Foot Anstey 21 Derry's Cross Plymouth Devon PL1 2SW
Auditor	Crowe Clark Whitehill LLP (formerly 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	Marsh Ltd Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY

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, Mr M Aspinall, Ms K Bingham, Mr C Clayton, Mr R Cunis, Mrs P Davies, Mr M de Giorgio, Ms S Hamilton-Fairley, Mr D Hodson, Ms A Hohler, The Hon T Palmer, Miss J Portrait, Prof Dame J Rawson and Prof C Roueche.

Sir A Graham retired on 31 December 2009. Dr H Harris retired on 31 March 2010.

The Hon H Palmer passed away on 17 April 2010.

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 2010

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 2010

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, challenging and ambitious programme of study with a rich and diverse extra curricular programme, leading to GCSE and A Level. Students are prepared for entry to the leading universities in the UK with a small but increasing proportion aiming towards the Ivy League US universities. Expectations are high and the pace brisk, suiting those girls who enjoy learning and who have a lively intellect and enquiring mind. The school also has a strong commitment to the personal development of each student and pastoral care 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 potential and to build the requisite resources to achieve an intake which reflects the social, cultural and economic diversity of the capital
- 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 2010

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

- Introducing two new A level courses in politics and theatre studies
- Training staff to write more discriminating, cogent and diagnostic reports for parents
- Clarifying expectations about standards of behaviour and rewarding good work and conduct more actively
- Improving time keeping and punctuality across the community
- Implementing a more finely tuned 11+ admissions system for greater fairness and transparency
- Widening the pool of potential bursary candidates through an outreach programme
- Updating teaching contracts for staff
- Conducting in-house leadership and management training for staff
- Establishing a staff consultative forum
- Refurbishing the historic Singing Hall
- Refurbishing the school bell which has been silent for 40 years
- Overhauling the school's IT infrastructure
- Improving electronic communications with parents
- Continuing to raise funds for bursaries notably through a leavers' bursary syndicate

Principal Activities of the Year (Including Public Benefit)

The school is academically selective and educates girls from age 11-18. In September 2009 there were 720 students on roll with 215 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 across the arts and sciences. 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 2010, 58 (2009: 62) girls received means-tested awards and bursaries, 22 (2009: 20) girls received music scholarships and 30 (2009: 32) 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. Links are also being established with the gifted and talented programme run by Wandsworth Borough Council and similar connections are planned within our own borough.

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.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Fundraising

During the year St Paul's Girls' School continued its campaign to raise funds for bursaries in order to widen access to the school. A total of £1.2 million was secured in new donations and pledges for future donations thanks to some very generous support.

We secured new donations and pledges totalling almost £400,000 for the bursary endowment which was valued at £4.9 million at 31 August 2010.

A bursary fund report was sent out by the Development Office during the autumn term to thank donors and update the whole school community on progress during the previous year. Just under £50,000 was donated in response to that report.

To mark our particular appreciation for the generous support received from some of our more significant donors we organised a formal dinner at Mercers' Hall and an evening at the Globe Theatre with the Old Paulina theatre director, Thea Sharrock.

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 20% of girls in the school. 8% of the school's pupils, 58 girls, received means tested bursaries during 2009/10. These 58 girls required financial support equating to 51 fully funded places. The endowed investment portfolio generated a return to fund ten full places. The School funded the equivalent of 17 full places from its operating income. The combined donations from our generous supporters participating in the syndicates and revenue based bursary programme funded the equivalent of the remaining 24 full places.

In spring 2010 the parents of the 2010 leavers were successful in organising a bursary syndicate of 62 participants to secure donations and pledges of £158,000 to fund a full bursary for a new bursary candidate who joined the school in September 2010. The 2010 Syndicate has requested that once the candidate has finished her education at St Paul's Girls' School any funds raised in excess of her needs be invested in the bursary endowment fund.

Members of the Foundation Council and others kindly hosted four dinners to inform guests 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 Paulina League for their offer to contribute towards the refurbishment of the school bell.

As a result of donations received during the year we were able to offer fully funded bursaries to nine MIV girls who joined us in September 2010 and four girls in VII who have just started their A Level courses.

In conjunction with the refurbishment of the Singing Hall we launched a commemorative seat naming scheme in aid of our bursary endowment. In return for a donation of £2,500 a plaque can be attached in perpetuity to a seat in the refurbished building. This opportunity will continue to be available until all the seats have been named.

Over the summer of 2010 annual progress reports and renewed thanks 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.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT (continued)

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Alumnae Activities

The school continues to engage with its former pupils through a developing programme of communications and events designed to appeal to alumnae of all ages, interests and geographic locations. The events calendar this year included three separate reunions marking 15, ten and one-year anniversaries and the school also hosted a one-off alumnae day to welcome back former pupils and staff of all generations, many of whom returned to St Paul's with their families. A February 2010 lecture on the historical highlights of the school by our archivist Dr Howard Bailes and a business breakfast in the City in May 2010, with guest speaker Sophie Raworth (OP 1984-1986), also proved popular. In addition, an increasing number of Old Paulinas returned to attend various plays, concerts and exhibitions that took place at St Paul's throughout the year. Two university open day events were held at Oxford and in London, when girls interested in applying to these universities could visit and talk with Old Paulinas studying there. Elsewhere, the Wessex branch continues to hold biannual reunions for Old Paulinas and Old Paulines in the West Country and the American Friends have organised two reunions in New York this year for alumni of both the girls' and boys' schools. The first joint reunion for Old Paulinas and Old Paulines in Israel is due to take place in December 2010.

Old Paulinas continue to receive the termly *Review* publication, which has now been increased from 12 to 16 pages, and a revamped e-bulletin also attracts the readership of over 1,100 alumnae every month. Steps are being taken to improve pages on the alumnae website and it is hoped that, together with the use of social networking sites such as *Facebook* and *LinkedIn*, our online alumnae presence will expand significantly over the course of the next year.

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 92.4% of results were at grade A/A* and at GCSE A*/A accounted for 99.1% of results. This near perfect outcome at GCSE made these results the best the school has ever achieved. The percentage of 49.4% at the new A* grade at A level was very pleasing and significantly above national expectations.

Music had another successful year. Performances included Gustav Holst's *The Planets* arranged for the piano and performed by York2, the premier of an opera by composer in residence Mark Wilderspin *The Little Match Girl*, the finale to Mahler's Symphony No 4 and movements from Holst's the St Paul's Suite for orchestra at Chichester Cathedral. Individual and ensemble work continues to reach a very high level. Excellent results were also achieved in the school directed course.

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 year included the literary critic and translator Professor Tony Briggs, Professor Sir Curtis Price, Warden of New College Oxford, the International Director of the UK Border Agency Barbara Woodward OBE and Dr Vince Cable MP, then Deputy Leader of the Liberal Democrats.

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 and Munich. In addition this year there has been a visit to the Kennedy Space Centre in Florida and our geographers have undertaken fieldwork in Iceland. 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.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT (continued)

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The financial results of the company are presented on page 12 of this report. The school generated total net incoming resources of £1,617,000 of which £832,000 is unrestricted (before transfers between funds). The unrestricted surplus before transfers represents 7.0% of total unrestricted incoming resources compared with 6.6% in the previous year.

The total income for the year ended 31 August 2010 was £13,339,000 (2009 £12,153,000) of which £10,744,000 (2009 £10,327,000) was fee income. The total resources expended were £11,722,000 (2009 £11,227,000), the most significant expense being staff costs which represents 63% of outgoing resources. Capital expenditure in the year was £1,104,000 (2009 £515,000). The major investment in this financial year has been in the refurbishment of the Singing Hall and further development of the IT infrastructure and equipment. A grant of £300,000 was received from The Mercers' Charitable Foundation towards the IT development work.

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 2010, before taking the pension deficit into account totalled £4,627,000 (2009 £4,527,000) 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 defined benefit pension scheme for the non-teaching staff is in deficit amounting to £2,229,000 (2009 £2,011,000) which impacts on the free reserves of the school disclosed above. The school has made additional contributions totalling £210,000 (2009 £100,000) in the year.

Investments

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% per annum on the investment portfolio with capital appreciation.

The fee composition scheme's assets are invested in fixed interest treasury stocks which are a low risk fixed rate of return investment. The fee composition scheme continues to be managed by Barclays Wealth.

Investment Performance against Objectives

Since inception in November 2008, the return on the portfolio managed by Rothschild has been 34% to 30 September 2010 which is regarded as a satisfactory result.

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

TRUSTEES' REPORT (continued)

FUTURE PLANS

The strategic aims outlined above remain in place for the next two years and will determine future plans. A review of these will take place in the Spring of 2011. 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:

- Completing the refurbishment of the Singing Hall and Holst Music wing
- Continuing structural IT development with the recruitment of a new IT director
- Reviewing the scholarship system
- Reviewing the choice structure at GCSE
- Ensuring better tracking of student progress allowing for structured improvement
- Delegating responsibility for pastoral care to the heads of year to ensure improved personal attention for each student
- Overhauling the tutor system so as to reduce the size of tutor groups and involve most staff in the pastoral care of girls
- Implementing the second phase of our new admissions procedures so as to provide an accurate assessment of all candidates, regardless of their current educational setting
- Extending further our relationships with feeder schools in the maintained sector
- Building a more significant fund for the financing of bursaries and in particular developing the leavers' bursary initiative
- Improving our communications at all levels both within the community and beyond, in particular developing closer links with our alumnae
- Consider the expansion of current building stock to enable possible growth of student numbers at lower and senior school level

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.

**ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010**

**TRUSTEES' REPORT (continued)
STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)**

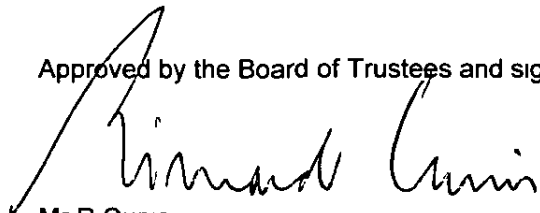
The following statements have been affirmed by each of the Trustees of the charitable company

- 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

AUDITOR

On 1 October 2010, Horwath Clark Whitehill LLP changed its name to Crowe Clark Whitehill LLP. Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor.

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



Mr R Cunis
Chairman of Governors



9 December 2010

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

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 2010 set out on pages 12 to 27. 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 Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2010 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.


Tim Baines
Senior Statutory Auditor
for and on behalf of Crowe Clark Whitehill LLP
Statutory Auditor
Date: 9 December 2010

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

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
For the year ended 31 August 2010

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2010 £'000	Total 2009 £'000
Incoming resources						
Incoming Resources from Chantable Activities						
Fees	3	10,744	-	-	10,744	10,327
Other educational income		314	-	-	314	386
Grants		300	164	-	464	173
Incoming Resources from Generated Funds						
Trading income		351	-	-	351	332
Rents		73	-	-	73	69
Investment Income	4	89	96	-	185	316
Donations, gifts and legacies		52	747	389	1,188	525
Other incoming resources		20	-	-	20	25
Total incoming resources		11,943	1,007	389	13,339	12,153
Resources expended						
Costs of Generating Funds						
	6	560	31	-	591	501
Chantable Activities						
Provision of education	6	10,492	580	-	11,072	10,660
Governance Costs		59	-	-	59	66
Total resources expended	5&6	11,111	611	-	11,722	11,227
Net incoming resources before transfers		832	396	389	1,617	926
Transfers between funds	8	9	(9)	-	-	-
Net incoming resources before other recognised gains and losses		841	387	389	1,617	926
Realised gains / (losses) on investments	9	(7)	1	83	77	(473)
Net income for the year		834	388	472	1,694	453
Unrealised gains / (losses) on investments	9	(21)	9	251	239	600
Pension scheme actuarial loss	19	(318)	-	-	(318)	(681)
Net movement in funds		495	397	723	1,615	372
Transfer from St Paul's Girls' School Development Trust	2	-	-	-	-	3,048
Fund balances at 1 September 2009		11,958	438	4,189	16,585	13,165
Fund balances at 31 August 2010		12,453	835	4,912	18,200	16,585

The attached notes on pages 15 to 27 form an integral part of these accounts

All of the school's activities represent continuing operations

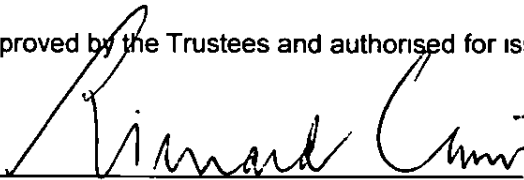
ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

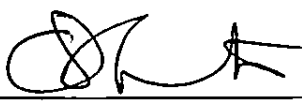
BALANCE SHEET
As at 31 August 2010

	Notes	2010 £'000	2010 £'000	2009 £'000	2009 £'000
Fixed assets					
Tangible assets	7		10,961		10,582
Investments	9		5,769		4,898
			<u>16,730</u>		<u>15,480</u>
Current assets					
Stock		121		134	
Debtors	10	489		388	
Cash		<u>6,955</u>		<u>6,003</u>	
		7,565		6,525	
Current liabilities					
Creditors amounts falling due within one year	11	<u>(1,779)</u>		<u>(1,370)</u>	
Net current assets			<u>5,786</u>		<u>5,155</u>
Total assets less current liabilities			22,516		20,635
Creditors amounts falling due after more than one year	12		<u>(2,087)</u>		<u>(2,039)</u>
Net assets excluding pension liability			20,429		18,596
Pension scheme liability	19		<u>(2,229)</u>		<u>(2,011)</u>
Net assets including pension liability			<u>18,200</u>		<u>16,585</u>
Funds					
Endowment	15,16		4,912		4,189
Restricted	15,16		835		438
Unrestricted	15,16		<u>14,682</u>		<u>13,969</u>
			20,429		
Total Funds before pension liability					18,596
Pension Scheme funding reserve	19		<u>(2,229)</u>		<u>(2,011)</u>
Total Funds including deficit on pension scheme reserve			<u>18,200</u>		<u>16,585</u>

The attached notes on pages 15 to 27 form an integral part of these accounts

Approved by the Trustees and authorised for issue on 9 December 2010 and signed on their behalf by


 Mr R Cunis
 Chairman of Governors


 Mr C Clayton

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

CASH FLOW STATEMENT

For the year ended 31 August 2010

	Notes	2010		2009	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	20		2,510		812
Returns on investment and servicing of finance					
Dividends		81		73	
Interest received		91		243	
			172		316
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(1,104)		(515)	
Purchase of investments		(1,605)		(4,262)	
Proceeds from sale of investments		1,050		3,715	
			(1,659)		(1,062)
Movement in cash before advance fees			1,023		66
New advance fees		257		513	
Amounts accrued to advance fee contracts		15		5	
Amounts utilised and repaid		(343)		(248)	
			(71)		270
Increase in cash			952		336
Transferred from St Paul's Girls' School Development Trust			-		673
Cash at 1 September 2009			6,003		4,994
Cash at 31 August 2010			6,955		6,003

The attached notes on pages 15 to 27 form an integral part of these accounts

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS - 31 AUGUST 2010

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 are accounted for in the financial year in which they are received. 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 2010

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	3-4 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 was shown on the Charity Commission's Register of Mergers and the Trust (registered charity 312719) was 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 was dealt with as a merger at book value based on the principles of merger accounting set out in Financial Reporting Standard 6.

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

3. FEES	2010	2009
Fees consist of	£'000	£'000
Gross fees	11,170	10,701
Less bursaries, grants and allowances	(996)	(965)
	10,174	9,736
Add bursaries and grants received from restricted funds	570	591
	10,744	10,327

4. INVESTMENT INCOME	2010	2009
	£'000	£'000
Dividends	94	73
Bank and building society interest	91	243
	185	316

5. TOTAL RESOURCES EXPENDED	2010	2009
	£'000	£'000
Includes		
Wages and salaries	6,008	5,742
Social security costs	541	518
Pension costs	764	732
Peripatetic costs	88	63
	7,401	7,055
Staff benefits		
Medical insurance	33	40
	7,434	7,095
Auditor's remuneration		
For audit	24	23
Other	6	6

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

Educational	98	95
Other	55	57
	153	152

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 2010

NOTES TO THE ACCOUNTS (continued)

5 TOTAL RESOURCES EXPENDED (continued)

The Trustees have not received any emoluments during the year (2009 £Nil) One Trustee (2009 one) received reimbursement of travel expenses amounting to £136 (2009 £225)

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

	2010	2009
£60,000 - £69,999	9	9
£70,000 - £79,999	2	1
£80,000 - £89,999	1	-
£150,000 - £159,999	1	1

For 12 (2009 10) of the above staff, pension contributions amounting to £124,000 (2009 £100,000) were paid for the provision of defined benefits pension schemes One staff member (2009 one) had benefits of £13,000 (2009 £8,000) accruing under defined contribution pension schemes

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £'000	Other £'000	Deprec- iation £'000	2010 Total £'000	2009 Total £'000
Costs of generating funds					
Trading costs	33	282	-	315	321
Financing costs	-	115	-	115	60
Fundraising	99	28	-	127	104
Investment management	-	34	-	34	16
	132	459	-	591	501
Charitable Activities					
Education	5,823	1,024	77	6,924	6,479
Welfare	424	261	-	685	688
Premises	501	891	644	2,036	1,947
Support costs	554	297	-	851	949
Grants, awards and prizes	-	576	-	576	597
	7,302	3,049	721	11,072	10,660
Governance costs	-	59	-	59	66
	7,434	3,567	721	11,722	11,227

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

7. TANGIBLE ASSETS

	Charitable Properties £'000	Furniture Fittings & Equipment £'000	Computers £'000	Total £'000
Cost				
At 1 September 2009	10,239	1,766	370	12,375
Additions	804	75	225	1,104
Disposals	-	(25)	-	(25)
At 31 August 2010	11,043	1,816	595	13,454
Depreciation				
At 1 September 2009	1,118	576	99	1,793
Charge for the year	305	254	162	721
Disposals	-	(21)	-	(21)
At 31 August 2010	1,423	809	261	2,493
Net book value				
At 31 August 2010	9,620	1,007	334	10,961
At 31 August 2009	9,121	1,190	271	10,582

8. TRANSFERS BETWEEN FUNDS

A total of £9,000 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	
	2010	2009
	£'000	£'000
Valuations at 1 September 2009	4,898	1,849
Transferred from St Paul's Girls' School Development Trust	-	2,375
Additions	1,605	4,262
Disposal proceeds	(1,050)	(3,715)
Gains on investments	316	127
As at 31 August 2010	5,769	4,898
Historical cost of Investments	5,002	4,618

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

9. INVESTMENTS (continued)

The breakdown of listed investments as at 31 August 2010 and 2009 is as follows

	2010	2009
	£'000	£'000
UK equities	1,549	1,351
Overseas equities	1,252	506
Fixed interest - UK	2,045	1,694
Fixed interest - overseas	289	846
Alternative investments - UK	262	235
Alternative investments - overseas	372	266
	5,769	4,898

The total amount of UK investments is £3,855,000 (2009 £3,280,000) and the total amount of overseas investments is £1,914,000 (2009 £1,618,000)

There were no investments representing more than 5% of the total market value of the portfolio as at 31 August 2010 or 2009

10. DEBTORS

	2010	2009
	£'000	£'000
Fee debtors	44	20
Loans to staff	42	57
Sundry debtors	218	158
Prepayments	185	153
	489	388

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

	2010	2009
	£'000	£'000
Trade creditors	599	260
Fees received in advance	207	212
Refundable deposits (note 13)	151	126
Advanced fees scheme (note 13)	316	301
Taxation and Social Security	163	155
Other creditors and accruals	343	316
	1,779	1,370

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

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

	2010	2009
	£'000	£'000
Refundable deposits (note 13)	1,290	1,156
Advanced fees scheme (note 13)	797	883
	<u>2,087</u>	<u>2,039</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	
	2010	2009	2010	2009
	£'000	£'000	£'000	£'000
After 5 years	505	467	84	96
Between 2 to 5 years	594	547	441	522
Between 1 to 2 years	191	142	272	265
After more than 1 year	1,290	1,156	797	883
Within 1 year	151	126	316	301
	<u>1,441</u>	<u>1,282</u>	<u>1,113</u>	<u>1,184</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

	2010	2009
	£'000	£'000
As at 1 September 2009	1,184	914
New contracts	257	513
Amounts accrued to contracts	15	5
	<u>1,456</u>	<u>1,432</u>
Amounts utilised in payment of fees	(343)	(248)
	<u>1,113</u>	<u>1,184</u>

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

14. OPERATING LEASE COMMITMENTS

The school has the following annual commitments under operating leases

	2010	2009
	£'000	£'000
Between two to five years	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

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	Tangible	Investments	Net Current	Long Term	Total
	Fixed Assets			Liabilities & Pension Deficit	
	£'000	£'000	£'000	£'000	£'000
Endowment Funds	-	4,556	356	-	4,912
Restricted Funds	-	58	777	-	835
Unrestricted Funds	10,961	1,155	4,653	(4,316)	12,453
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	10,961	5,769	5,786	(4,316)	18,200
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

16. FUNDS

	<i>1 Sep</i>	<i>Incoming</i>	<i>Resources</i>	<i>Transfers &</i>	<i>31 Aug</i>
	<i>2009</i>	<i>Resources</i>	<i>Expended</i>	<i>Other Gains</i>	<i>2010</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>/ (Losses)</i>	<i>£'000</i>
				<i>£'000</i>	
Endowed funds					
Bursary Funds	4,173	389	-	333	4,895
Prize Funds	16	-	-	1	17
	4,189	389	-	334	4,912
Restricted funds					
Foundation Bursary Funds	363	853	(467)	5	754
Bursaries – Third Parties	-	134	(134)	-	-
Prize Funds	46	1	(3)	10	54
Foundation Buildings	-	9	-	(9)	-
Sundry Restricted Funds	29	10	(7)	(5)	27
	438	1,007	(611)	1	835
Unrestricted funds					
General Reserves	11,637	11,939	(11,111)	(447)	12,018
Bursaries Fund	100	3	-	55	158
Buildings Fund	221	1	-	55	277
	11,958	11,943	(11,111)	(337)	12,453

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 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 2010, there were authorised capital commitments of £1,009,000 (2009: £Nil).

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

18. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 August 2010 (2009 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 2010 for the purpose of compliance with Financial Reporting Standard 17. The principal assumptions used in that valuation are as follows:

	2010	2009
Rate of increase in salaries	4.0%	4.3%
Discount rate	5.1%	5.7%
Inflation assumption	3.0%	3.3%
5% LPI pension increase assumption	3.0%	3.3%
2.5% LPI pension increase assumption	2.3%	2.4%

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

	Male		Female	
	2010	2009	2010	2009
Members attaining age 60 at year-end	28.4 years	28.3 years	30.9 years	30.9 years
Members attaining aged 60 20 years from year-end	29.9 years	29.8 years	32.2 years	32.1 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 31/08/2010	Value at 31/08/2010 £'000	Proportion of total assets at 31/08/2010	Long term rate of return expected at 31/08/2009	Value at 31/08/2009 £'000	Proportion of total assets at 31/08/2009
Equities	8.0%	1,185	44%	8.0%	1,273	54%
Bonds	6.0%	726	27%	6.0%	509	22%
Other	4.0%	267	10%	4.0%	53	2%
Secured pensions	5.1%	531	19%	5.7%	531	22%
Total market value of assets		2,709			2,366	
Present value of scheme liabilities		(4,938)			(4,377)	
Deficit in scheme		(2,229)			(2,011)	

The actual return on the Scheme's assets net of expenses over the year to the review date was approximately 7.1% (2009 -11.8%). 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 2010

NOTES TO THE ACCOUNTS (continued)

19. PENSIONS (continued)

FRS 17 disclosures as at 31 August 2010

Amounts Recognised in the Balance Sheet at 31 August 2010

	Value at 31 August 2010	Value at 31 August 2009
	£'000	£'000
Fair value of assets	2,709	2,366
Present value of funded obligations	<u>(4,938)</u>	<u>(4,377)</u>
Scheme deficit	<u>(2,229)</u>	<u>(2,011)</u>

Amounts disclosed on the balance sheet are made up of:

	Value at 31 August 2010	Value at 31 August 2009
	£'000	£'000
Liabilities:		
Present value of funded obligations	(4,938)	(4,377)
Assets:		
Fair value of assets	<u>2,709</u>	<u>2,366</u>
Net liability	<u>(2,229)</u>	<u>(2,011)</u>

Amounts Recognised in the Statement of Financial Activities

	31 August 2010	31 August 2009
	£'000	£'000
Current service cost	110	111
Interest cost	240	240
Expected return on assets	(146)	(189)
Past service cost	<u>5</u>	<u>18</u>
Total	<u>209</u>	<u>180</u>

Reconciliation of Assets and Defined Benefit Obligation

The change in assets over the year was

	31 August 2010	31 August 2009
	£'000	£'000
Fair value of assets at 1 September 2009	2,366	2,530
Expected return on assets	146	189
Total contributions	355	294
Benefits and expenses paid	(180)	(176)
Actuarial gain / (loss)	<u>22</u>	<u>(471)</u>
Fair value of assets at 31 August 2010	<u>2,709</u>	<u>2,366</u>

ST PAUL'S GIRLS' SCHOOL

ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

19. PENSIONS (continued)

The change in defined benefit obligation over the year was

	31 August 2010	31 August 2009
	£'000	£'000
Defined benefit obligation at 1 September 2009	4,377	3,868
Current service cost	110	111
Contributions by scheme participants	46	60
Past service cost	5	18
Interest cost	240	240
Benefits paid	(180)	(130)
Actuarial loss	340	210
Defined benefit obligation at 31 August 2010	4,938	4,377

The pension charge in the year payable by the school in respect of non teaching staff was £303,000 (2009 £202,000) 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 £84,000 (2009 £51,000)

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 published in November 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 next valuation of the scheme by the Government Actuary due to be prepared as at 31 March 2008 has not yet been published

The pension cost charge for the year payable by the school in respect of teaching staff was £571,000 (2009 £538,000)

ST PAUL'S GIRLS' SCHOOL
ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2010

NOTES TO THE ACCOUNTS (continued)

20. RECONCILIATION OF NET INCOMING RESOURCES TO

NET CASH INFLOW FROM OPERATIONS	2010	2009
	£'000	£'000
Net incoming resources	1,617	926
Depreciation charge	721	640
Loss on disposal of tangible fixed assets	4	-
Dividend income	(94)	(73)
Interest receivable	(91)	(243)
Decrease in stock	13	12
Increase in debtors	(88)	(66)
Increase / (decrease) in creditors	369	(570)
Pension costs arising from FRS17	(100)	(8)
Increase in refundable deposits	159	194
	2,510	812

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

	2010	2009
	£'000	£'000
Opening cash at bank	6,003	4,994
Transferred from St Paul's Girls' School Development Trust	-	673
Change in year	952	336
Closing cash at bank	6,955	6,003

22. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties

The Mercers' Educational Trust Fund made bursary grants of £30,000 (2009 £20,000) to the school

The school paid rent of £1,000 (2009 £1,000) to St Paul's Schools Foundation during the year

The Mercers' Charitable Foundation made a grant of £300,000 during the year towards the development of the school's IT infrastructure and equipment