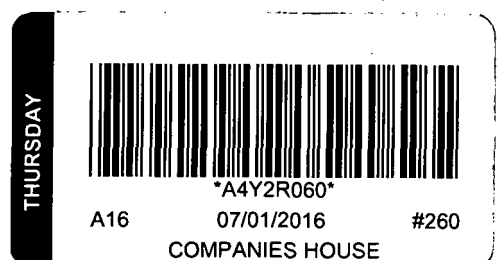


Company Registration Number 6142007
Charity Registration Number 1119613

ST PAUL'S GIRLS' SCHOOL
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2015



**ST PAUL'S GIRLS' SCHOOL
GOVERNORS, OFFICERS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Governors, Directors and Charity Trustees

The Governors are the charity trustees under charity law and the directors of the charitable company. The Governors serving at the date of this report are as follows:

Mr Mark Aspinall *
Mrs Zeina Bain (appointed 16 September 2015) *
Ms Kate Bingham * § #
Mr Nicolas Chisholm + #
Prof Henrietta Harrison (appointed 13 November 2014) +
Mr Daniel Hodson * §
Ms Alice Hohler * # α
Mrs Gillian Low (appointed 5 June 2015) +
Mrs Dervilla Mitchell α
Miss Cally Palmer +
The Hon Timothy Palmer (Chairman) + * # § α
Miss Judith Portrait *
Dr Julia Riley +
Prof Charlotte Roueche +

+ Members of the Education Committee
* Members of the Finance & Estates Committee
Members of the Nominations Committee
§ Members of the Investment Sub-Committee
α Members of the Client Management Group

Officers

The Clerk to Governors and Company Secretary	Mrs Nicki Goodfellow
High Mistress	Ms Clarissa Farr
Deputy Head – Director of School	Mr Paul Vanni
Director of Resources	Ms Katie Kerr
Director of Operations	Ms Barbara Sussex

Registered Office and Advisers

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

ST PAUL'S GIRLS' SCHOOL
GOVERNORS, OFFICERS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Registered Office and Advisers (continued)

Solicitors

Foot Anstey LLP
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth PL4 0BN

Veale Wasbrough Vizards
Narrow Quay House
Narrow Quay
Bristol BS1 4QA

Bankers

Barclays Corporate
Acorn House
36-38 Park Royal Road
London NW10 7JA

Barclays Wealth
1 Churchill Place
London E14 5HP

Auditors

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Investment Managers

Rothschild Wealth Management (UK) Ltd
New Court
St Swithin's Lane
London EC4N 8AL

Barclays Wealth
1 Churchill Place
London E14 5HP

Actuaries

Barnett Waddingham
Cheapside House
138 Cheapside
London EC2V 6BW

Punter Southall Ltd
11 Strand
London WC2N 5HR

Insurance Brokers

Marsh Ltd
Capital House
1-5 Perrymount Road
Haywards Heath
West Sussex RH16 3SY

ST PAUL'S GIRLS' SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Governors present their Annual Report for the year ended 31 August 2015 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTORS' REPORT

CONSTITUTION AND OBJECTS

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

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.

AIMS AND ACTIVITIES

Aims

The school's values and ethos are prominently outlined in its 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 an increasing proportion aiming for the Ivy League universities in the US. 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. Pastoral care was rated excellent in the ISI inspection report of 2011 and the school remains alive to the ever increasing challenges faced by young people in today's society, with the pressures of social media, high expectations and a challenging employment market. St Paul's Girls' School aims to instil a love of learning for its own sake, giving its students a firm foundation of lasting values as well as the resilience required to live in the real world. Secular by foundation, the school welcomes students of all faiths and none.

The High Mistress describes the school's ethos as follows:

The day I first walked through the doors of Horsley's elegant building and, standing on cool marble, looked up into the roof space to see a life sized sculpture of a deep sea diver made of flotsam and floating as if in mid ocean, I lost my heart to St Paul's. So it is for us all: something about the school catches our imagination, makes us see the familiar afresh, leaves us stirred and changed.

Founded in 1904 as one of the first purpose built schools for girls, St Paul's is a piquant mixture of tradition and innovation. The emphasis on liberal learning established by the first High Mistress Frances Gray and Director of Music Gustav Holst finds expression today in an academically challenging curriculum, which emphasises intellectual freedom and discovery. Paulinas enjoy the difficult subjects: Ancient Greek and Physics are popular, as are German and Maths. A broad co-curricular programme includes sport, exceptional music and drama as well as over 100 clubs, from political discussion group to dissection society, often led by girls. An education at St Paul's is a quest for "that special illumination and largeness of mind" which comes from a pure pleasure in learning. Paulinas pursue ideas for their own sake and not simply in order to pass examinations.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Aims (continued)

As a school which fosters independence and individuality, St Paul's is managed with a light touch and relationships are respectful yet relaxed. There are few rules, no uniform and no house system. The girls are encouraged early to take charge of their lives, to be able to embrace the unexpected and to become resilient, self-reliant young women. At the same time small tutor groups promote a kind and supportive community, where it's acknowledged that school is about working together and learning from mistakes as well as successes. Paulinas are encouraged to be themselves: they are not expected to be perfect.

An education at St Paul's was described by one former pupil as "the most exceptional and life changing gift I could ever have received". Mindful of this, and of the powerful lifelong connections with one another they enjoy, Paulinas seek to serve their local and wider communities through imaginative social enterprise and charitable engagement. Opportunities for travel abound and on leaving, the girls see themselves stepping out onto a worldwide stage.

Above all, St Paul's is a place of boldness, warmth, creativity and fun, where the search for precision and beauty matter and where humour and laughter are never far away.

In the furtherance of these aims the Governors, as the Charity trustees, confirm that they have complied with the requirements set out in the Charities Act 2011 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.

Principal Activities of the Year

The school is academically selective and educates girls from age 11 to 18. In September 2014 there were 741 students on roll with 213 of these in the senior school (sixth form). Applications to join the school for this age group maintained last year's high level and up to 20 places are offered. While some girls' schools see large numbers leaving for co-educational sixth forms, retention into the senior school remained steady and 14 girls joined the senior school in September 2014.

A broad curriculum includes classical languages and Mandarin Chinese with significant strength in all academic areas across the arts and sciences. The school offers GCSE and iGCSE at age 16 with its own school-directed courses in Art, Music and Drama. A level is the post-16 qualification pursued by all students and is offered in 22 subjects. The Pre-U course, which makes greater academic demands, will replace A level in some subjects from 2016.

All girls pursue an extensive co-curricular programme. Well-established exchange programmes with schools in the US, China, Germany, France, Japan, Spain and Australia provide extended opportunities to experience education in another country.

In the Autumn term students joined the school from Beijing and exchange partners made a return visit over the October half term, cementing the school's very strong commitment to the teaching of Mandarin Chinese. Well established reciprocal exchanges also took place to Bonn and Marseille amongst a number of other European destinations. There was also a very successful study visit to Japan.

Here in school, the well-established science week in March included a mobile planetarium and a range of other scientific activities led by girls. The Friday lecture series for senior school students featured a number of distinguished external speakers, for example businessman Sir Stuart Rose and vice-president of marketing at Google, Yonca Brunini.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

GOVERNANCE AND MANAGEMENT

Governors

The Governors who served throughout the year, except where otherwise stated on page 1, were Mr Mark Aspinall, Ms Kate Bingham, Mr Nicolas Chisholm, Prof Henrietta Harrison, Mr Daniel Hodson, Ms Alice Hohler, Mrs Gillian Low, Mrs Dervilla Mitchell, Miss Cally Palmer, The Hon Timothy Palmer, Miss Judith Portrait, Dr Julia Riley and Prof Charlotte Roueche.

Mrs Zeina Bain was appointed on 16 September 2015.

Dame Helen Alexander and Mrs Pauline Davies retired on 31 July 2015 and are thanked for their contribution to the school.

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 14 Governors and the Board of Governors may appoint two. On appointment Governors are given an induction package, a tour of the school and meetings with key members of staff. During the course of the year there are further training sessions and recommendations are made about suitable courses for Governors to attend. In addition, from time to time, the Mercers' Company organises training programmes for Governors in conjunction with other schools in which the Mercers' Company has an interest.

Organisational Management

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

Education Committee:

- considers matters relating to the education and welfare of pupils and makes recommendations to the Board

Finance & Estates Committee:

- monitors and reviews all aspects of financial performance and management
- advises on the development, use and maintenance of the whole school estate
- assesses the scope and effectiveness of the systems established to identify, manage and monitor financial and non-financial risks

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Organisational Management (continued)

Nominations and Governance Committee:

- reviews the structure, size and composition of the Board
- identifies and nominates candidates for appointment to the Board
- oversees a regular performance evaluation of the Board and all its members, conducted by the Chairman
- initiates the process of recruiting the High Mistress and Director of Resources
- considers all aspects of governance of the school and makes recommendations to the Governing Body

Investment Sub-Committee:

- advises and makes recommendations to the Finance & Estates Committee in respect of all investment asset classes, other than the school's property, and conducts a yearly review of the assets within the Non-Teaching Staff Pension Fund

Client Management Group (Building Project):

- monitors and oversees the redevelopment of the school's buildings in accordance with the outline plan and budget previously approved by the Governors, and reports and makes recommendations to the Governors in relation to the project

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, the Nominations Committee and Client Management Group meetings.

Insurance

The school has Public Liability insurance in place which includes Directors and Officers insurance to cover the cost of compensation to a third party if a claim is made against one of the school's directors (or officers) arising from any negligent act, error or omission, committed in good faith. The indemnity limit is £10,000,000. Professional Indemnity insurance is also included for claims made against the school (rather than directed at an individual) with an indemnity limit of £10,000,000. The annual premium for both insurances was £4,607.

**ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

STRATEGIC REPORT

Primary Objectives

The school reaffirmed its commitment to seven broad strategic principles, covering all areas of its activity which are expressed as follows:

1. To offer an exceptional education for girls, which is both innovative and challenging and which prepares them as individuals to lead successful and fulfilled lives.
2. To maintain a supportive and outward-looking community with excellent pastoral care which acknowledges the particular needs of young people in contemporary society.
3. To recruit students of conspicuous potential, irrespective of background, to achieve an intake which echoes the diversity of London as a capital city.
4. To attract and retain staff of the highest calibre, providing excellent continuing professional development.
5. To develop the existing site, technical infrastructure and management processes to reflect the character and evolving needs of the school.
6. To build strong links with the wider St Paul's Girls' School community locally, nationally and internationally.
7. To enhance the reputation of St Paul's Girls' School as the pre-eminent girls' day school, influencing educational debate and policymaking.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

Activities relating to the strategies above are carried out by senior staff and set out in the iterative action plan document for the year. Over the year 2014-15 these have included ongoing work on last year's goals as well as the following new initiatives:

Academic education and management:

- A full curriculum review focussing on the implications of the new linear courses at 16+
- A specific review of modern foreign languages, including the planned introduction of a course in linguistics
- Planning for the introduction of computer science as a discrete discipline in 2016
- Establishment of a teaching and learning group to promote innovation and best practice

Pastoral, welfare and co-curricular:

- Implementation of an enhanced health and wellbeing policy across the school
- Further training of heads of year and tutors in providing excellent, bespoke pastoral care
- Enhancement of the role of school council, empowering students to have a voice
- Launch of a week-long Food Festival, celebrating healthy eating, entrepreneurship, enjoyment and sustainability

**ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES (continued)

- Methodology in place to ensure all school trips meet latest health and safety and child protection legislation

Senior School and higher education:

- Launch of Old Paulina (OP) mentoring scheme and promotion of work-related learning
- Further work on defining and meeting the PSHE needs of senior school students
- Fostering scholarly ambition, leadership and self challenge amongst students

Admissions:

- A trial of 16+ recruitment using online communication
- Decision to reposition 11+ scholarships as admissions awards to avoid a sense of hierarchy within an already selective school
- Further development of admissions interview training for staff

Human Resources and staffing:

- Implementation of appraisal process for non-teaching staff
- Initial research into revised pay structures to reflect national move towards linking pay and performance

Estate, premises and facilities including IT:

- Estate strategy progressed to the planning permission stage
- Ensuring all maintenance work takes account of longer term objectives
- Full digitisation of school magazine archive
- Review of disaster recovery plans
- Preparation for launch of 'Bring Your Own Device' initiative

Community relationships, outreach, volunteering and charities:

- A second week-long summer school run in July 2015 with Paulina helpers
- Continued refinement of the school's award-making policy so that means are assessed fairly and worthy candidates have access to the school

Fundraising and alumnae relations:

- Increased events for OPs to re-engage them with the school
- Planning funding strategy to support the building programme

Communications:

- Launch of the student website iPaulina
- First publication of the Foundation Report, showcasing the achievements of the year alongside headline financial information and the case for financial support

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

ACHIEVEMENTS AND PERFORMANCE

Review of Achievements and Performance for the Year (including Public Benefit)

The principal activities for the year outlined in the Directors' Report demonstrate the school's continuous search for improvement and challenge. In keeping with the school's tradition of self-evaluation and thought, the key theme for 2014-15 was *Resilience for the Real World*, expressed in the school's internal development document as follows:

Following a year of research into the pastoral needs of the girls and the role of scholarship at St Paul's, in 2014-15 we focus on building the resilience required for young women growing up in a vibrant, 21st century international capital. Research by RS Academics confirmed that the school's values are clearly understood and strongly supported by parents, staff and girls, and that excellent teaching is at the heart of this. At the same time, the school's role in preparing girls for life can be further developed and this will be our intent over the next year.

Public examination results were maintained at an exceptional level, demonstrating that the school achieves in the top 10% of value added performance compared with other highly selective schools. At GCSE and IGCSE, 90% of entries attained an A* grade and 98.9% achieved an A* or A grade with 60 girls attaining straight A* grades in all of their GCSE/IGCSE examinations. At A level, 49.1% of entries attained an A* grade. 87.5% of entries achieved an A* or A grade, and 98.9% a B or more, with 25 girls attaining straight A* grades in all of their A levels: a new school record. At AS level, 86.1% of entries gained an A grade and 96.1% achieved an A or B.

University destinations were particularly impressive with 44 going on to Oxbridge, 12 to leading US universities and 12 to medical school.

Girls also excelled academically beyond the formal curriculum; for example by winning first prize in both the Trinity College Cambridge's Gould Essay Prize for English Literature and the Cambridge University Marshall Society Essay.

In the co-curricular arena, drama and music both continue to flourish. High points of the year included a performance of Verdi's *Requiem* at St John's Smith Square and an innovative production of Caryl Churchill's *Love and Information*. Individual girls have achieved notable successes in this area: three girls were chosen to play in the National Youth Orchestra and another won a place on the prestigious Introduction to Playwriting course run by the Royal Court theatre. Student journalism continues to thrive with a myriad of different publications and, this year, the launch of a new student website, iPaulina.

Sport had a particularly memorable year with great success from extra-curricular clubs and school representation. There was an outstanding turnout at sports clubs from the cross country bumble to early morning strength and conditioning for senior athletes. Sporting highlights included over nine national representations across a variety of sports, top 10 national placements for three of the lacrosse teams, four out of six age groups becoming county champions in netball and all three national age groups qualifying for the South East England Regional Round of the National Schools competition. Two athletes were selected to represent London at The English Schools' Athletics Competition, the junior swimmers were placed top in the country and the J16 rowers won two national medals.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Review of Achievements and Performance for the Year (including Public Benefit) (continued)

The school was also extremely proud that two old girls, who had begun rowing at St Paul's Girls' School, were in the winning Oxford Blue boat that made history this year by rowing on the same stretch of water as the men's boat.

Bursaries

While remembering that St Paul's Girls' School is highly academically selective and is not for everyone, providing bursary places remains a key goal and the school is working steadily to increase these. During the 2014-15 academic year, 82 girls received means-tested financial support (11% of the school roll), of which 56 received full fee remission. Strategies to reach bursary candidates have included enrichment days for gifted and talented girls in the primary state sector, regular primary school visits and advertising through the London fee remission consortium. In July 2015, a second week long summer school was run for Year 4 girls and boys who had been nominated by their schools. Over 50 children attended from state schools across nine London boroughs and it was an extremely successful event.

The school encourages applications from all candidates of academic potential regardless of the family's ability to pay fees. All applicants sit the same admissions process. Awards are made on the basis of detailed means-testing taking into account the family's income, realisable assets and other relevant circumstances. A home visit forms part of the initial assessment and the awards are re-assessed annually. Governors review the policy to ensure that it remains appropriate and continues to support the objective of widening access to the School. The percentage reduction offered is up to 100% of the tuition fee. The total cost of means-tested bursaries in the year to 31 August 2015 was £1,646,000.

Sharing expertise and resources with local schools

Year 12 students from local state sector schools are invited to attend the school's higher education conference with seminars led by Oxbridge and Russell Group universities. The Classics Society speaker programme is open to other schools without charge and students from the Hammersmith Academy are invited to attend the Friday lecture series. This year the school has forged stronger links with Hammersmith Academy including providing mentoring for their NQTs, offering revision classes for A2/AS chemistry students as well as weekly Latin classes and providing support in establishing their rowing programme. The school's Deputy Head is a governor and one of the school's Year 12 students established a debating club for Year 7 girls at the school on her own initiative.

The school also seeks to benefit the community by making its sports facilities available to local schools, clubs and charities for free or at significantly discounted rates. Five primary schools have the use of the swimming pool for weekly sessions and this summer the school hosted six state school sports days. Local swimming clubs and the charity Greenhouse also use the pool for weekly sessions.

**ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Review of Achievements and Performance for the Year (including Public Benefit) (continued)

Student community engagement

Students at St Paul's Girls' School are enthusiastic about their work for charities and social enterprise. This year, while continuing to run their own charity shop *Restore*, they staged a fashion show and organised a sponsored swim among many other initiatives. Profits from this were shared equally between West London Action for Children, the bursary fund and the two school charities, Refuge and Anti-slavery International and in total the girls raised just over £17,000.

Girls are involved in a range of volunteering activities including a well-established Latin scheme and a reading scheme for primary school children, assisting at the summer school and other community projects such as those run by Age Concern and Riding for the Disabled. Girls also volunteer to help at Kitezh in Russia, a centre for orphaned or abandoned children run by the Ecologia Youth Trust. The travel scholarship programme is open to girls who wish to apply for funds to undertake a charitable or educational trip overseas.

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. The school also welcomed support for improved facilities, in particular for rowing and the new building plans. A total of £1.5 million was secured in new donations and pledges thanks to very generous donors.

The Foundation Report 2013-14 was redesigned to combine an annual review of school highlights and a fundraising report. It was sent out by the Development Office during the Spring term. With generous sponsorship the school was able to commission a short video about the bursary programme. Three girls in VII worked with a professional film director to create the video in which three former bursary recipients spoke about the significance of financial assistance to them.

During the year the leavers' families and their daughters organised a successful 2015 leaving class bursary. The school received support from 119 donors of whom 61 donors were Paulinas. A total of £206,940 was raised: this will fund a full means-tested bursary place for a girl who joined the school in September 2015 and the remainder will provide funds for hardship. The school's hardship fund supports pupils whose families face unexpected financial difficulties. The 1993 alumnae successfully collaborated to raise funds for a 1993 class gift and secured £13,506 towards a new 16+ bursary.

In the summer a campaign was organised to raise £56,000 for a new Empacher Eight and four single sculls for the rowing department. Donations and pledges of £34,373 were received towards this goal. This included donations to purchase and name the four new single sculls. Fundraising for the Eight continues.

The school has planned a Gala dinner and auction to be held at the House of Commons in November 2015. The Gala is a fundraising event in support of the new senior school building. A committee of parents worked with the Development Office to secure the venue, sponsorship and auction items. Tickets sold out immediately.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Fundraising (continued)

The school was delighted to receive a generous early pledge of £200,000 from an anonymous donor for the new building. A scheme was also launched to "Name a Stone" to support the new building programme. In return for a donation of £1,000 donors were invited to name one of the 117 stones in the landscaping being designed around the new building. During the year donations of £38,275 were received to name a stone. This is a continuing programme and it hoped that it will appeal to the wider school community.

In school, several fundraising events were organised, including a sponsored swim and a MIV fair in which the girls participated to raise funds for the bursary programme. The Parents Guild biennial Christmas fair also raised c£43,000 for the bursary fund and school charities.

Members of the Foundation Council kindly hosted two 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 the revenue bursary fund.

During the financial year 2014-15 82 girls received means-tested bursaries, equating to 74 fully funded places. The endowment fund's investment portfolio was valued at £7.5million at the end of the year and funded the equivalent of 13 full places. The school funded the equivalent of 19 full places from its operating income, and donations from generous supporters participating in the syndicates and the revenue-based bursary programme funded the remaining equivalent of 42 full places.

Pledges and donations received during the year combined with the support of the school allowed bursaries to be offered to nine of the new MIV girls who joined in September 2015 and three girls in VII who joined to study for A Levels.

The school welcomed continuing support from a number of trusts including The Staples Trust, The Ogden Education Trust, The Rowan Education Trust, HSBC Education Trust, John Lyon's Charity and the Mercers' Company.

To mark the school's particular appreciation for the generous support received from some significant donors a formal dinner, sponsored by the Mercers' Company, was held at Mercers' Hall. The guest speaker was Old Paulina actress Lucy Briers.

Alumnae Activities

The alumnae relations programme at St Paul's Girls' School consists of a range of events and publications, enabling the school to keep in touch with alumnae (Old Paulinas, OPs) and foster goodwill throughout the alumnae community.

The Review magazine is a termly printed publication which focuses on alumnae news, fundraising projects and school updates. It works together with the e-bulletin, a less formal monthly electronic publication, to keep OPs informed of events and other alumnae updates. The school also promotes the use of social media for alumnae, using LinkedIn to manage a growing members-only group and using Facebook and Twitter as an outward communication tool. The OPConnect website also serves as a social network for OPs, enabling them to search an online directory to reach out to each other. The mentoring programme allows OPs and students in the VIII to connect with each other to seek careers advice from those working in their field of interest. The website also provides news and events information.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Alumnae Activities (continued)

The events calendar for 2014-15 further engaged OPs of all ages and professions. For example:

- Year group reunions remain popular, with one event bringing over 100 alumnae back to the school. A 10-year reunion has been added specifically for those 10 years out of St Paul's Girls' School
- Student alumnae engaged with current students for university talks in London, Cambridge and Oxford. The programme now includes a session for universities outside of Oxbridge and London (Dublin, Warwick, Edinburgh etc)
- A series of networking lunches brought together alumnae working in The City providing informal networking opportunities
- Newly established lunches for classes of the 1960s, 1950s and 1940s brought large numbers of older alumnae to the school leading to some legacy giving
- Newly established arts and heritage events saw sold out tours of Highclere Castle and the National Gallery

In addition to the established programme, the school is launching careers fair events in the new academic year, bringing together two different industries on each occasion, represented by alumnae. These will be attended by alumnae and senior students who can ask for careers advice in an informal setting.

FINANCIAL REVIEW

Results for the Year

The financial results of the company are presented on page 19 of this report. The school generated total net incoming resources of £2,057,000 of which £1,641,000 is unrestricted (before transfer between funds). The unrestricted surplus (before transfers) represents 10.0% of total unrestricted incoming resources compared with 10.7% in the previous year.

The total income for the year ended 31 August 2015 was £18,142,000 (2014: £17,477,000) of which £15,296,000 (2014: £14,704,000) was fee income. The total resources expended were £16,085,000 (2014: £15,509,000), the most significant expense being staff costs which represent 64% of outgoing resources. Capital expenditure in the year was £1,781,000 (2014: £558,000).

Having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the Trustees are satisfied that it remains appropriate to prepare the statements on a going concern basis.

Reserves Level and Policy

The total reserves of the school at 31 August 2015 were £30,334,000 of which unrestricted funds were £20,697,000, the pension scheme reserve deficit was £1,344,000, restricted funds were £2,992,000 and endowed funds were £7,989,000. Free reserves at 31 August 2015 were £8,274,000 (unrestricted funds less tangible fixed assets and the pension scheme liability). Of this £7,000,000 has been designated to go towards the school's major building redevelopment, which includes capital commitments of £2,119,000.

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

Reserves Level and Policy (continued)

The Governors consider that holding unrestricted cash balances of £4.5 million during the building programme is an appropriate cash reserves policy. It is proposed that the cash reserves held at 31 August 2015 in excess of this policy will go towards funding future capital projects, including investment in the school's estate to meet its future educational needs.

The defined benefit pension scheme for the non-teaching staff is in deficit amounting to £1,344,000 (2014: £1,382,000) which impacts on the unrestricted reserves of the school. The school has made additional contributions totalling £230,000 (2014: £230,000) in the year.

Investment Policy, Objectives and Performance

Rothschild has been given discretionary power to manage the restricted and endowed investment portfolio, reporting to the Investment Sub-Committee. They have been instructed to adopt a medium risk/balanced 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 in Qualifying Investments.

The Rothschild investment portfolio performed satisfactorily over the year to 31 August 2015, generating a total return of 8% ending at a valuation of £9.9 million, which includes both endowed and restricted funds, with a yield of 1% over the period. Since inception Rothschild has outperformed the target of CPI plus 4%.

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.

FUTURE PLANS

The school's strategic aims remain in place and efforts are directed to continuing to provide an exceptional academic education for all students.

As a school of over 740 students, the need to create order within the built environment becomes ever more pressing. The school's building stock is well maintained but the premises have for some time been cramped and the layout is not optimal. The Governors and High Mistress are developing an estate wide strategy that reflects the school's ethos and objectives: promoting focused and innovative teaching and learning, creating conditions for the best pastoral arrangements and pupil welfare, as well as providing sufficient breathing space and fresh air within a tight city site. Taking forward building designs to the practical stage will therefore be a key objective for the coming year. The school will also continue to develop the resilience of students to manage the challenges of the modern world alongside developing their love of learning and the intrinsic value of scholarly endeavour.

With all this in mind, the school will focus on the following objectives in 2015-16:

- Successfully managing the first phase of the building programme while ensuring continuity of education and experience
- Encouraging deeper reflection and enhancing scholarship by providing a sense of space
- Promoting increased independence and personal agency among students and staff
- Maximising the benefits of stronger, lasting connections with the world beyond St Paul's Girls' School

ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

RISK MANAGEMENT

Governors have ultimate responsibility for identifying the major risks that the school is exposed to and for ensuring that the senior management of the school has systems and processes in place to manage those risks. Identified risks are recorded in the school's risk register and risks are assessed by calculating impact and likelihood scores giving a total net score after mitigating activities. Risk management principles are agreed based on the category of the risk (low, medium or high). The school's risk register is reviewed each term by the Finance & Estates Committee and reported formally to the Board each autumn. The potential risks that are identified on the risk register, with mitigating actions, include:

- a potential lack of appropriate premises to realise the educational aims and evolving needs of the school
- a threat to stability from unforeseen crisis events and insufficient planning to manage the outcome of such events
- a potential failure to attract sufficient bursary candidates to achieve the school's objective of widening access through its bursary programme

These risks are subject to regular review by the school's Senior Management Team and are mitigated by the following measures:

- The school has enlisted the services of professional consultants to develop a long term estates strategy which has informed proposals for construction phases due to commence in 2016. A Client Management Group comprising Governors, senior staff and consultants is responsible for critically evaluating proposals and overseeing the build phase.
- The school reviews its crisis management plan annually and undertakes review exercises to ensure that procedures are in place and remain up to date to address potential crisis situations. The plan was developed this year to include crisis communication plans and a stay-put procedure.
- An expanding outreach programme seeks to attract potential bursary applicants.

The Governors are satisfied that there are systems in place to mitigate the major risks identified on the school's risk register to an acceptable level. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report, incorporating a strategic report and the director's report and 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:

**ST PAUL'S GIRLS' SCHOOL
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities SORP;
- 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:

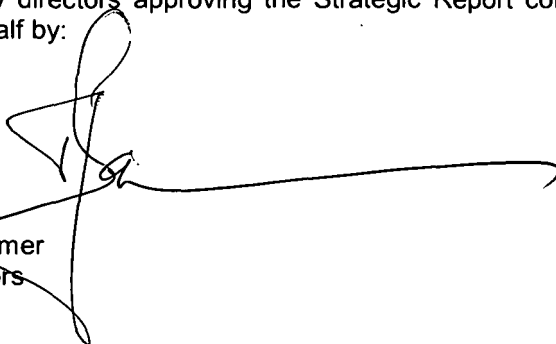
- so far as each Trustee is aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee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

Crowe Clark Whitehill LLP has indicated its willingness to be reappointed as statutory auditor.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Governors of St Paul's Girls' School on 3 December 2015, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

The Hon Timothy Palmer
Chairman of Governors



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 2015 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report, incorporating a strategic report and directors report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2015 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; and
- the financial statements have been prepared in accordance with the Companies Act 2006.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST PAUL'S GIRLS' SCHOOL
(CONTINUED)**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report incorporating a Strategic Report and Directors Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our client



Tina Allison
Senior Statutory Auditor
for and on behalf of Crowe Clark Whitehill LLP
Statutory Auditor

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

Date: 16 December 2015

ST PAUL'S GIRLS' SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2015 £'000	Total 2014 £'000
INCOMING RESOURCES						
Incoming resources from charitable activities:						
Fees	2	15,296	-	-	15,296	14,704
Other educational income		568	-	-	568	554
Grants		-	171	-	171	161
Incoming resources from generated funds:						
Trading income		305	-	-	305	359
Rents		98	-	-	98	100
Investment income	3	90	74	-	164	211
Donations, gifts and legacies		19	1,426	81	1,526	1,371
Other incoming resources		14	-	-	14	17
Total incoming resources		16,390	1,671	81	18,142	17,477
RESOURCES EXPENDED						
Costs of generating funds	5	571	72	-	643	719
Charitable activities:						
Provision of education	5	14,060	1,264	-	15,324	14,693
Governance costs		118	-	-	118	97
Total resources expended	4&5	14,749	1,336	-	16,085	15,509
Net incoming resources before transfers		1,641	335	81	2,057	1,968
Transfers between funds	14	61	416	(477)	-	-
Net incoming resources before other recognised gains and losses		1,702	751	(396)	2,057	1,968
Realised gains/(losses) on investments	7	(3)	-	179	176	75
Net income for the year		1,699	751	(217)	2,233	2,043
Unrealised gains/(losses) on investments	7	(6)	186	450	630	188
Pension scheme actuarial loss	16	(86)	-	-	(86)	(198)
Net movement in funds		1,607	937	233	2,777	2,033
Fund balances at 1 September 2014		17,746	2,055	7,756	27,557	25,524
Fund balances at 31 August 2015		19,353	2,992	7,989	30,334	27,557

All of the school's activities represent continuing operations.

The related notes on pages 23 to 36 form an integral part of these accounts

ST PAUL'S GIRLS' SCHOOL
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £'000	2014 £'000
Turnover		15,864	15,258
Other income		<u>2,674</u>	<u>2,493</u>
Total income	12	18,538	17,751
Expenditure		<u>16,085</u>	<u>15,509</u>
Operating profit		2,453	2,242
Realised losses		<u>(3)</u>	<u>(5)</u>
Net income		<u>2,450</u>	<u>2,237</u>

The related notes on pages 23 to 36 form an integral part of these accounts

ST PAUL'S GIRLS' SCHOOL
BALANCE SHEET
AS AT 31 AUGUST 2015

	Notes	2015 £'000	2014 £'000
FIXED ASSETS			
Tangible fixed assets	6	11,079	10,053
Investments	7	9,425	7,955
		<u>20,504</u>	<u>18,008</u>
CURRENT ASSETS			
Stock		119	116
Debtors	8	590	570
Cash		14,519	13,840
		<u>15,228</u>	<u>14,526</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	9	(2,091)	(1,627)
NET CURRENT ASSETS		<u>13,137</u>	<u>12,899</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>33,641</u>	<u>30,907</u>
CREDITORS: amounts falling due after more than one year	10	(1,963)	(1,968)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>31,678</u>	<u>28,939</u>
Pension scheme liability	16	(1,344)	(1,382)
NET ASSETS INCLUDING PENSION LIABILITY		<u>30,334</u>	<u>27,557</u>
FUNDS			
Endowment	13,14	7,989	7,756
Restricted	13,14	2,992	2,055
Unrestricted:			
Designated		7,000	-
General		13,697	19,128
	13,14	<u>20,697</u>	<u>19,128</u>
TOTAL FUNDS BEFORE PENSION LIABILITY		<u>31,678</u>	<u>28,939</u>
Pension scheme funding reserve	16	(1,344)	(1,382)
TOTAL FUNDS INCLUDING DEFICIT ON PENSION SCHEME RESERVE		<u>30,334</u>	<u>27,557</u>

Approved by the Trustees and authorised for issue on 3 December 2015 and signed on their behalf by:

The Hon T Palmer
Chairman of Governors

Ms A Hohler

The related notes on pages 23 to 36 form an integral part of these accounts

ST PAUL'S GIRLS' SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015	2014
		£'000	£'000
Net cash inflow from operating activities	17	3,143	2,613
Returns on investment and servicing of finance			
Dividends		66	58
Interest received		84	160
		150	218
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(1,781)	(558)
Proceeds from sale of fixed assets		-	1
Purchase of investments		(5,406)	(3,437)
Proceeds from sale of investments		4,742	4,022
		(2,445)	28
Movement in cash before advance fees		848	2,859
New advance fees		-	232
Amounts accrued to advance fee contracts		6	7
Amounts utilised and repaid		(175)	(179)
		(169)	60
Increase in cash		679	2,919
Cash at 1 September 2014		13,840	10,921
Cash at 31 August 2015		14,519	13,840

The related notes on pages 23 to 36 form an integral part of these accounts

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. STATEMENT OF ACCOUNTING POLICIES

a) Accounting basis

The accounts are prepared in accordance with applicable accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005, the Charities Act 2011 and the Companies Act 2006. They are drawn up under the historical cost convention as modified by the revaluation, at market value, of investments.

As highlighted in the Trustees' report, having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

b) 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.

c) 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.

d) 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.

e) 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.

f) Investments

Investments are stated at market value.

g) 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.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

1. STATEMENT OF ACCOUNTING POLICIES (continued)

h) Grants

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

i) 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.

j) Funds

The school has three types of funds:

- 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.

k) Pension schemes

The school contributes to the Teachers' Pension Scheme, 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.

l) 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.

m) 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	4 – 10 years

Assets held under construction are not depreciated until they are brought into use.

n) Stock

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

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

2. FEES

Fees consist of:	2015 £'000	2014 £'000
Gross fees	15,840	15,079
Less: bursaries, grants and allowances	(1,781)	(1,513)
	14,059	13,566
Add: bursaries and grants received from restricted funds	1,237	1,138
	15,296	14,704

3. INVESTMENT INCOME

	2015 £'000	2014 £'000
Dividends	68	55
Bank and building society interest	96	156
	164	211

4. TOTAL RESOURCES EXPENDED

Includes:	2015 £'000	2014 £'000
Wages and salaries	8,086	7,597
Social security costs	787	739
Pension costs	1,120	1,019
Peripatetic costs	186	129
	10,179	9,484
Staff benefits:		
Medical insurance	49	48
	10,228	9,532
Auditor's remuneration:		
For audit	31	28
Other	7	7

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

Educational	116	112
Other	64	62
	180	174

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
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

4. TOTAL RESOURCES EXPENDED (continued)

The Trustees have not received any emoluments during the year (2014: £nil). Five Trustees (2014: five) incurred expenses relating to travel and subsistence or received gifts amounting to £4,821 (2014: £3,076) which were reimbursed or paid for directly by the school.

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

	2015	2014
£60,000 - £69,999	23	20
£70,000 - £79,999	5	6
£80,000 - £89,999	4	2
£90,000 - £99,999	2	-
£100,000 - £109,999	-	1
£170,000 - £179,999	-	1
£190,000 - £199,999	1	-

For 31 (2014: 26) of the above staff, pension contributions amounting to £320,000 (2014: £265,000) were paid for the provision of defined benefits pension schemes. Four staff members (2014: four) had benefits of £45,000 (2014: £46,000) accruing under defined contribution pension schemes.

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs	Other	Depreciation	Total 2015	Total 2014
	£'000	£'000	£'000	£'000	£'000
Cost of generating funds:					
Trading costs	25	239	-	264	359
Financing costs	-	84	-	84	94
Fundraising	200	24	-	224	203
Investment management	-	71	-	71	63
	225	418	-	643	719
Charitable activities:					
Education	7,653	1,736	85	9,474	9,147
Welfare	545	329	-	874	853
Premises	608	1,003	670	2,281	2,342
Support costs	1,197	259	-	1,456	1,218
Grants, awards and prizes	-	1,239	-	1,239	1,133
	10,003	4,566	755	15,324	14,693
Governance costs	-	118	-	118	97
	10,228	5,102	755	16,085	15,509

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

6. TANGIBLE ASSETS

	Charitable Properties £'000	Assets Under Construction £'000	Furniture Fittings & Equipment £'000	Computers £'000	Total £'000
Cost					
At 1 September 2014	11,888	199	2,472	861	15,420
Additions	72	1,447	89	173	1,781
Disposals	-	-	-	(97)	(97)
Transfers	23	(23)	-	-	-
	<u>11,983</u>	<u>1,623</u>	<u>2,561</u>	<u>937</u>	<u>17,104</u>
At 31 August 2015					
Depreciation					
At 1 September 2014	2,890	-	1,820	657	5,367
Charge for the year	376	-	240	139	755
Disposals	-	-	-	(97)	(97)
	<u>3,266</u>	<u>-</u>	<u>2,060</u>	<u>699</u>	<u>6,025</u>
At 31 August 2015					
Net book value					
At 31 August 2015	<u>8,717</u>	<u>1,623</u>	<u>501</u>	<u>238</u>	<u>11,079</u>
At 31 August 2014	<u>8,998</u>	<u>199</u>	<u>652</u>	<u>204</u>	<u>10,053</u>

7. INVESTMENTS

	Listed investments	
	2015 £'000	2014 £'000
Valuation at 1 September 2014	7,955	8,277
Additions	5,406	3,437
Disposal proceeds	(4,742)	(4,022)
Gains on investments	<u>806</u>	<u>263</u>
At 31 August 2015	<u>9,425</u>	<u>7,955</u>
Historical cost of investments	<u>7,825</u>	<u>6,780</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

7. INVESTMENTS (continued)

The breakdown of listed investments at 31 August is as follows:

	2015	2014
	£'000	£'000
UK equities	1,944	1,185
Overseas equities	4,614	4,244
Fixed interest – UK	1,781	834
Alternative investments – UK	774	818
Alternative investments – overseas	312	874
	9,425	7,955

The total amount of UK investments is £4,499,000 (2014: £2,837,000) and the total amount of overseas investments is £4,926,000 (2014: £5,118,000)

8. DEBTORS

	2015	2014
	£'000	£'000
Fees debtors	60	46
Loans to staff	35	15
Sundry debtors	253	293
Prepayments	242	216
	590	570

The loans to staff mainly represent housing loans to teaching employees of the school. The loans are repayable over periods of one to five years and are interest-free while employees remain at the school.

9. CREDITORS: amounts due within one year

	2015	2014
	£'000	£'000
Trade creditors	484	409
Fees received in advance	431	327
Refundable deposits (note 11)	242	236
Advanced fees scheme (note 11)	152	169
Taxation and social security	225	211
Other creditors and accruals	557	275
	2,091	1,627

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

10. CREDITORS: amounts due after more than one year

	2015	2014
	£'000	£'000
Refundable deposits (note 11)	1,771	1,629
Advanced fees scheme (note 11)	187	339
Other creditors and accruals	5	-
	<u>1,963</u>	<u>1,968</u>

11. 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	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Within one year:	242	236	152	169
After more than one year:				
Within one to two years	307	238	82	152
Within two to five years	820	790	105	167
After five years	644	601	-	20
	<u>2,013</u>	<u>1,865</u>	<u>339</u>	<u>508</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

11. REFUNDABLE DEPOSITS AND ADVANCED FEES SCHEME (continued)

Advanced fees represent 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:

	2015 £'000	2014 £'000
At 1 September 2014	508	448
New contracts	-	232
Amounts accrued to contracts	6	7
Amounts utilised in payment of fees	(175)	(179)
At 31 August 2015	<u>339</u>	<u>508</u>

12. RECONCILIATION OF INCOMING RESOURCES AND INCOME PER INCOME AND EXPENDITURE ACCOUNT

	2015 £'000	2014 £'000
Fees	15,296	14,704
Other educational income	<u>568</u>	<u>554</u>
Turnover	15,864	15,258
Other income	<u>2,197</u>	<u>1,820</u>
Total incoming resources per Statement of Financial Activities (unrestricted and restricted funds)	18,061	17,078
Transfer between funds	<u>477</u>	<u>673</u>
Total income per Income and Expenditure Account	<u>18,538</u>	<u>17,751</u>

13. ANALYSIS OF NET ASSETS

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

Group	Tangible Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Long Term Liabilities & Pension Deficit £'000	Total £'000
Endowment funds	-	6,690	1,299	-	7,989
Restricted funds	-	2,406	586	-	2,992
Unrestricted funds	<u>11,079</u>	<u>329</u>	<u>11,252</u>	<u>(3,307)</u>	<u>19,353</u>
	<u>11,079</u>	<u>9,425</u>	<u>13,137</u>	<u>(3,307)</u>	<u>30,334</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

14. FUNDS

	<i>1 September 2014 £'000</i>	Incoming Resources £'000	Resources Expended £'000	Transfers & Other Gains/ (Losses) £'000	31 August 2015 £'000
Endowed funds					
Bursary funds	7,749	81	-	152	7,982
Prize funds	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>
	<u>7,756</u>	<u>81</u>	<u>-</u>	<u>152</u>	<u>7,989</u>
Restricted funds					
Foundation					
bursary funds	1,861	1,505	(1,315)	657	2,708
Prize funds	76	1	(4)	6	79
Buildings	96	37	-	(61)	72
Sundry restricted funds	<u>22</u>	<u>128</u>	<u>(17)</u>	<u>-</u>	<u>133</u>
	<u>2,055</u>	<u>1,671</u>	<u>(1,336)</u>	<u>602</u>	<u>2,992</u>
Unrestricted funds					
Designated funds	-	-	-	7,000	7,000
General reserves	<u>17,746</u>	<u>16,390</u>	<u>(14,749)</u>	<u>(7,034)</u>	<u>12,353</u>
	<u>17,746</u>	<u>16,390</u>	<u>(14,749)</u>	<u>(34)</u>	<u>19,353</u>

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. The prize fund represents the accumulated income on various endowed and restricted gifts intended to fund the award of various annual prizes. The buildings fund was created for buildings programmes. The sundry restricted fund represents the accumulated income on a number of small donations received to fund specific projects.

A total of £61,000 of building donations has been transferred from restricted to unrestricted funds as the funds have been expended and therefore the restriction on these funds has been met.

A transfer of £477,000 between restricted and endowed funds has been made to reflect the value of endowed bursaries funded from capital gains.

Designated funds

The buildings fund was set up by the Trustees during the period to 31 August 2015 to set aside an amount towards the school's building redevelopment project.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

15. CONTRACTS AND COMMITMENTS

At 31 August 2015 there were authorised capital commitments of £2,145,000 (2014: £177,000), of which £2,119,000 relates to the building redevelopment project.

16. 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 2011. The next full valuation at 31 August 2014 is in progress. The 31 August 2011 valuation has been updated to 31 August 2015 for the purpose of compliance with Financial Reporting Standard 17. The principal assumptions used in that valuation are as follows:

	2015	2014
Rate of increase in salaries	3.45%	3.40%
Discount rate	3.70%	3.80%
Inflation assumption (RPI)	3.05%	3.00%
Inflation assumption (CPI)	2.05%	2.00%
5% LPI pension increase assumption	2.05%	2.00%
2.5% LPI pension increase assumption	<u>1.85%</u>	<u>1.80%</u>

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

	Male Years		Female Years	
	2015	2014	2015	2014
Members attaining age 60 at year-end	26.5	26.5	28.8	29.1
Members attaining aged 60 20 years from year-end	<u>27.9</u>	<u>28.0</u>	<u>30.3</u>	<u>30.7</u>

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

16. PENSIONS

(a) Non-Teaching Staff Pension Fund (continued)

The assets in the scheme and the expected rate of return as advised by the Actuary at 31 August are:

	Long term rate of return expected 2015	Value 2015 £'000	Proportion of total assets 2015	Long term rate of return expected 2014	Value 2014 £'000	Proportion of total assets 2014
Equities	6.0%	1,716	37%	6.4%	1,622	37%
Bonds	2.5%	912	20%	2.9%	846	19%
Other	0.5%	25	1%	0.5%	28	1%
Absolute return fund	4.5%	1,598	34%	4.9%	1,445	33%
Secured pensions	3.7%	383	8%	3.8%	419	10%
Total market value of assets		4,634			4,360	
Present value of scheme liabilities		(5,978)			(5,742)	
Deficit in scheme		(1,344)			(1,382)	

The actual return on the Scheme's assets net of expenses over the year to the review date was approximately 3.4% (2014: 7.6%). 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.

FRS 17 disclosure at 31 August 2015

Amounts recognised in the balance sheet at 31 August 2015

	Value at 2015 £'000	Value at 2014 £'000
Fair value of assets	4,634	4,360
Present value of funded obligations	(5,978)	(5,742)
Scheme deficit	(1,344)	(1,382)
Amounts disclosed on the balance sheet are made up of:		
Liabilities:		
Present value of funded obligations	(5,978)	(5,742)
Assets:		
Fair value of assets	4,634	4,360
Net liability	(1,344)	(1,382)

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

16. PENSIONS

(a) Non-Teaching Staff Pension Fund (continued)

Amounts recognised in the Statement of Financial Activities

	2015	2014
	£'000	£'000
Current service cost	121	97
Interest cost	218	234
Expected return on assets	(150)	(157)
Past service cost	-	-
Total	189	174

Reconciliation of assets and defined benefit obligation

The change in assets over the year was:

	2015	2014
	£'000	£'000
Fair value of assets at 1 September 2014	4,360	3,899
Expected return on assets	150	157
Total contributions	349	355
Benefits and expenses paid	(165)	(170)
Actuarial (loss)/gain	(60)	119
Fair value of assets at 31 August 2015	4,634	4,360

The change in defined benefit obligation over the year was:

	2015	2014
	£'000	£'000
Defined benefit obligation at 1 September 2014	5,742	5,227
Current service cost	121	97
Contributions by scheme participants	36	37
Past service cost	-	-
Interest cost	218	234
Benefits paid	(165)	(170)
Actuarial loss	26	317
Defined benefit obligation at 31 August 2015	5,978	5,742

The pension charge in the year payable by the school in respect of non-teaching staff was £312,000 (2014: £316,000). 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 £276,000 (2014: £212,000).

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

16. PENSIONS

(a) Non-Teaching Staff Pension Fund (continued)

The amounts for current and previous periods are as follows:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
Defined benefit obligation	(5,978)	(5,742)	(5,227)	(5,093)	(4,921)
Scheme assets	4,634	4,360	3,899	3,378	2,963
Deficit	<u>(1,344)</u>	<u>(1,382)</u>	<u>(1,328)</u>	<u>(1,715)</u>	<u>(1,958)</u>
Experience gains/(losses) on scheme liabilities	-	-	-	339	(49)
Experience gains/(losses) on scheme assets	(60)	119	176	83	(9)

(b) Teaching Staff Pension Scheme

The School participates in the Teacher's Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £727,000 (2014: £713,000).

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

The employer contribution rate is set following scheme valuations undertaken by the Government Actuary's Department. The latest valuation report in respect of the TPS was prepared at 31 March 2012 and was published in June 2014. This report confirmed that the employer contribution rate for the TPS will increase from 14.1% to 16.4% although, recognising that teaching establishments work on an academic and not financial year, the Government has deferred the implementation of this increase to 1 September 2015. Employers will in addition from 1 September 2015 pay a scheme administration levy of 0.08% of the employers' salary costs which will increase the total employer payment rate from 16.4% to 16.48%.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

ST PAUL'S GIRLS' SCHOOL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

17. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATIONS

	2015 £'000	2014 £'000
Net incoming resources	2,057	1,968
Depreciation charge	755	731
Loss on disposal of tangible fixed assets	-	5
Dividend income	(68)	(55)
Interest receivable	(96)	(156)
(Increase)/decrease in stock	(3)	39
(Increase)/decrease in debtors	(6)	8
Increase in creditors	480	154
Pension costs arising from FRS17	(124)	(144)
Increase in refundable deposits	148	63
	<u>3,143</u>	<u>2,613</u>

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

	2015 £'000	2014 £'000
Opening cash at bank	13,840	10,921
Change in year	<u>679</u>	<u>2,919</u>
Closing cash at bank	<u>14,519</u>	<u>13,840</u>

19. RELATED PARTY TRANSACTIONS

The following transactions occurred during the year with related parties:

The Mercers' Educational Trust Fund made bursary grants of £30,000 (2014: £20,000) to the school.

The school paid rent of £1,000 (2014: £1,000) to and received £56,000 from St Paul's Schools Foundation during the year.

20. OPERATING LEASES

Annual commitments under non-cancellable operating leases are as set out below:

	2015 £'000	2014 £'000
One to two years	<u>30</u>	<u>-</u>