



ST ALBANS
SCHOOL

ST ALBANS SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

Company limited by guarantee
Registered in England No. 4400125
Charity No. 1092932



CONTENTS

	Page
Annual Report of the Governors	2
Independent Auditor's Report	20
Consolidated Statement of Financial Activities	23
Consolidated Summary Income and Expenditure Account	24
Consolidated and School Balance Sheets	25
Consolidated Cash Flow Statement	26
Notes to the Financial Statements	28-47

ST ALBANS SCHOOL

CONTENTS

	Page
Annual Report of the Governors	2
Independent Auditor's Report	20
Consolidated Statement of Financial Activities	23
Consolidated Summary Income and Expenditure Account	24
Consolidated and School Balance Sheets	25
Consolidated Cash Flow Statement	26
Notes to the Financial Statements	28-47

The St Albans School Governors present their Annual Report for the year ended 31 August 2021 under the Charities Act 2011, including the Directors' and Strategic Reports, under the Companies Act 2006, together with the audited financial statements for the year.

CONSTITUTION AND OBJECTS

St Albans School was founded in AD948 by Abbot Wulsin and is believed to have operated as a school without break since that time.

It was incorporated on 21 March 2002 as a company limited by guarantee and not having a share capital (registered in England, No.4400125). The School is registered with the Charity Commission as a registered educational charity No.1092932. The undertaking comprising the former charitable trust of the same name was transferred to the company with effect from 31 August 2003. The registered office and address of the School is at Abbey Gateway, St Albans, Hertfordshire, AL3 4HB.

The School's Objects and principal activity, as set out in the Memorandum and Articles, are to advance the education and training, by the provision and conduct, in or near St Albans, of a day school for boys and also for girls in the Sixth Form.

AIMS, OBJECTIVES AND ACTIVITIES

The School is a secondary day school for boys between the ages of 11-18 with girls in the Sixth Form.

In furtherance of the Objects for the public benefit, the School operates premises in St Albans, has established and administers bursaries, grants, awards and other benefactions, and acts as the trustee and manager of property, endowments, bequests and gifts given or established in pursuance of these Objects. The School also maintains its buildings and endowed land, with its Scheduled Ancient Monument and other listed buildings considered of national importance.

The Ethos, Vision, Goal and Aims are:

Motto

NON NOBIS NATI (born not for ourselves)

Ethos

Over seventeen hundred years ago Saint Alban, a seeker after truth, lived and died in this place. Today, more than one thousand years since its foundation, this School which bears his name continues to play an important role in the local community, fostering scholarship and intellectual enquiry at the heart of an exceptional holistic education. Enriched by inspirational teaching, wide-ranging academic, cultural and sporting opportunities and strong pastoral care our pupils develop a love of learning together with the values, skills and qualities to enable them to live successful and happy adult lives in an ever-changing world, faithful to the altruism of our motto.

Vision

To help each pupil flourish intellectually and personally, developing self-knowledge and self-confidence in order to find meaning and purpose in life.

Goal

To enhance the School's reputation as one of the UK's leading institutions for academic excellence at the heart of an exceptional holistic and value-rich education that develops intellectual, personal and interpersonal potential, and that is attractive to pupils, parents and staff.

Aims

WE AIM TO DELIVER OUR ETHOS AND VALUES, REALISE OUR VISION AND ACHIEVE OUR GOAL BY:

- *Providing an education that inspires a love of learning and intellectual enquiry and enables pupils to develop independent, searching minds in fulfilling their academic potential;*
- *Offering a broad, flexible and forward-looking curriculum which prepares pupils for success in academic and professional life and leadership roles, enabling pupils to experience a wide variety of sporting, cultural and other co-curricular activities in order to develop skills, interests, ambitions and potential beyond the classroom and the examined curriculum;*
- *Providing teaching informed by excellent subject knowledge and high expectations, which stimulates and challenges pupils and fosters innovation, imagination, skill, articulacy and flair;*
- *Supporting the development of metacognitive skills to enable pupils to manage and regulate their own learning and reflect on their performance and progress;*
- *Attracting and retaining highly-qualified, talented and well-motivated staff who enjoy the responsibility of inspiring pupils in accordance with the School's ethos, and investing in their professional training and development;*
- *Providing a safe and welcoming environment underpinned by excellent pastoral care, supporting each pupil to be happy, feel valued as an individual and, with appropriate guidance and responsibilities, develop the self-confidence to become the adult they wish to be;*
- *Fostering an environment that celebrates diversity and is inclusive of all, irrespective of race, gender, religion, sexuality, disability or background, founded on tolerance and consideration towards others;*
- *Providing expert advice so that pupils are ready to derive the maximum benefit from their continuing education and are able to make informed choices about their future career, and working in partnership with parents to support pupils in their journey from childhood to adulthood, preparing them for their departure into the adult world;*
- *Continuing the evolution of the School's provision, striving for excellence in all aspects of its operations, instilling the highest standards of behaviour, manners, dress and speech, together with encouragement of pride in self and School to develop courteous, sociable and caring adults, and promoting the embodiment of the School's values, in particular the importance of the ethos of service to others in living a fulfilling life;*
- *Furthering the tradition and heritage arising from the School's historic links with the Abbey and the City of St Albans, emphasising the importance to self and others of contributing to the community, both inside and outside the School, and ensuring that the wider community benefits from the work of the School, in particular through partnership projects with state-sector schools and wider outreach work;*
- *Widening entry via means-tested bursaries, where possible, for local children with the potential to benefit from a St Albans School education; and exercising a careful and responsible stewardship of the School's finances and facilities, ensuring the best-possible educational value.*

STRATEGIES TO ACHIEVE THE SCHOOL'S OBJECTIVES

In setting our objectives and planning activities, Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

During the period of this report, the School maintained excellent results at A level and at GCSE. Sporting standards and participation remain excellent, high quality musical and theatrical performances were maintained and an active programme of tours was achieved, expanding pupils' horizons. Community and service activities continue to expand; staff training and facility improvements continue.

In October 2014 the School was inspected by the Independent School Inspectorate, whose report records, among other comments that *"The achievement of pupils across all ages is exceptional."* and *"Pupils strive for excellence in all aspects of their school life."* Since then, the School has been subject to an ISI Regulatory Compliance Inspection (October 2018), and was found to be compliant. The reports are available on the ISI website and on the School's website.

Principal activities of the year

The School provides education in St Albans to boys from the age of 11 and girls in the Sixth Form. This year the School averaged at 890 pupils (2020 – 860) throughout the financial year and opened in September 2021 with 882 pupils.

The School population is at an historic high and demand for places remains strong. This means that admission is academically competitive as evidenced by the increasing academic ability of the intakes at 11+ and 13+. This gives us confidence that the School can operate at high capacity for the foreseeable future without compromising its resolve to maintain the high academic standards with which the School has long been identified.

This financial year saw the continuation of the Covid-19 pandemic. In accordance with Government requirements, the School site was closed from January 2021 to March 2021. During this time, pupils studied remotely, being provided with a full timetable of interactive lessons via electronic platforms. The School and its teachers worked hard to deliver this, which was well received. Public exams were also cancelled, leaving pupils to receive Teacher Assessed Grades based on evidence collected by the School. All of this brought operational and financial consequences for the School which are covered in the relevant sections below.

Grant-making policy

The Governors regard bursary awards as important in ensuring that children from families who would otherwise not be able to afford the full School fee can access the education the School offers. All pupils who meet the entrance requirements, whose parents meet the financial conditions, may be considered for an award, subject to the availability of funds. These are made solely on the basis of parental means or to relieve hardship where a current pupil's education may be at risk. In assessing means we take into account family income, savings and family circumstances. However, the School does not have a large endowment and awards are funded mindful that Governors must maintain a balance between possibly hard pressed, fee-paying parents and those benefiting from bursary awards. Bursaries need to make a material difference to the family concerned, bringing life-changing opportunities.

The Governors' aim is to award new, means-tested, bursaries and scholarships to the value of eight full fees each year as follows:-

- Bursaries are awarded, in order of merit in the appropriate entrance examination, to those pupils whose parents would otherwise not be able to afford to have their children educated at the School and may also be awarded to existing pupils where the policy is to relieve hardship where the pupil's education would otherwise be at risk. Bursaries range from 10% to 100% of the termly fee but are generally not less than 40%. All bursaries are reviewed annually.

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

- Scholarships are awarded following the entrance and scholarship examinations at 11+, 13+ and Sixth Form entry. These awards are made solely on merit without regard to parental income. Where funds are not fully allocated to scholarships, these funds are made available in addition to those already available for means-tested bursaries.

The majority of available funds go towards bursaries.

Scholarships and bursaries valued at £861,430 (2020 - £882,585) were awarded in the year. Of this total, £563,730 (65%) was awarded through means-tested bursaries. A further £106,275 was awarded through the Covid hardship fund. A total of 174 pupils in the School received either a bursary or scholarship during the year (2020: 178) of whom 8 received total remission of fees (2020: 9).

Available bursary funds were fully and effectively deployed on a means-tested basis during the academic year. Means-tested bursaries, in some cases in combination with scholarships awarded independently on academic merit, were offered to those who qualified in respect of ability and financial need, in strict order of attainment in the relevant selection process. The School's Bursary Policy is available on the School's website.

With the Covid pandemic and the consequent lockdown, a significant hardship fund was raised from parents, governors, staff, OAs and other donors which enabled grants to be made to those parents in financial distress as a result of the impacts of Covid. After appropriate due diligence, significant grants and deferments of fees were made and all fee COVID-related remissions in the year were covered by this fund. Governors would like to take this opportunity to thank all donors to this fund.

STRATEGIC REPORT

Operational performance of the School

The School is committed to safeguarding and promoting the welfare of pupils and expects all staff and volunteers to share this commitment. The School prides itself on the strong pastoral care provided for all pupils by Form Tutors under the aegis of Heads of Year and Heads of Section.

The School welcomes pupils from all backgrounds. For a candidate to be admitted, the School needs to be satisfied that it will be able to educate and develop them to the best of their potential and in line with the general standards achieved by their peers. Entrance assessments are undertaken to satisfy the School and parents that potential pupils can cope with the pace of learning and benefit from the education provided. These assessments are made without regard to economic status, ethnicity, race, religion or disability.

Academic

The Government announced in January that the Summer 2021 public examinations were cancelled due to the Covid-19 situation. This was very disappointing for our candidates who were keen to have the opportunity to sit these important examinations. After several months of uncertainty, the procedures for awarding grades were published at the end of March. Pupils coped admirably with the difficulties caused by the uncertainty and showed flexibility and resilience in adjusting to the new system.

The School carefully followed the alternative processes put in place by Ofqual and the examination boards, creating a Centre Policy and submitting Teacher Assessment Grades (TAGs) in June in accordance with their requirements. Pupils sat assessments in controlled conditions over the course of three assessment weeks in April and May. These assessments, along with a range of additional assessment from throughout their courses, were included in their 'evidence basket'; teachers awarded holistic grades on the basis of this evidence according to guidance from the awarding authorities.

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

At A Level in 2021, A* grades account for 53% of all grades (37% in 2020) and A* and A grades are at 83% (72% in 2020). Eight pupils achieved 4 A* grades and fifty pupils gained at least 3 A*s. 93 gained at least 2 A*s and 128 pupils (over three quarters of our entry) gained at least 1 A*.

The School's 2021 GCSE results are similarly impressive. 75% of examinations taken were graded 9-8. 87% (116 of 133) of the year group gained at least five 9/8 grades, with over 80% (108) gaining at least six 9/8 grades. Over half of our candidates (75) gained at least eight 9/8 grades. Nine students achieved straight 9 grades and a further nineteen achieved straight 9s and 8s. An impressive twenty-six pupils achieved ten 9/8s.

79% of students who applied to university in 2021 secured a place at their first preference university on results day with 10% being offered a place at their second preference university. 82% were offered places at Russell Group universities with 11% confirming places at former 1994 Group universities. Thirteen students will be enrolling on Medicine or Dentistry courses. Nine students will take up Oxbridge places (3 at Oxford and 6 at Cambridge). The most popular destinations for St Albans School alumni this year are Bristol, Durham, Exeter, Nottingham and Bath.

St Albans School believes that a good education is about so much more than examination results and university places. Our pupils undertake a Learning to Learn (LTL) programme and develop transferable skills across the curriculum; they leave us with the skills and qualities they will need to be successful in the rest of their lives. The thriving programme of academic enrichment beyond the classroom supports and facilitates curiosity and enables the development of independent thinking and academic excellence. Activities include lecture programmes, the creation of academic magazines and journals, trips, national competitions and a vast array of academic societies.

Music

Alongside its academic curriculum, and despite the restrictions that COVID has place on music-making over the last 18 months, the Music Department continues to run a busy Co-Curricular Programme. Twenty ensembles continued to rehearse each week, culminating in a **Virtual Autumn Instrumental Concert** in December in addition to several **Lunchtime Concerts**, solo performances and ensemble events that were streamed both in and out of School.

The Department collaborated with the Drama Department in a **Musical Review** show featuring singing and playing from Sixth Form musicians. This live event was extremely well-attended by students and also streamed to parents and staff.

With large gatherings not allowed, the School Choir were restricted to recording performances which were used for our streamed School assemblies as well as the **Virtual Carol Service** and **Founders' Day Service**.

We ended the year with live concerts by our Leavers and also by our Senior Music Scholars, and it was a relief to be able to stage these live events once again.

Sport - Participation

The opportunities for competitive sport have been limited in this past academic year due to restrictions on mixing of bubbles from DES guidance and National Governing Bodies adapting their advice in relation to competitive sport. In the first term, up until half term, we ran and organised a very well supported franchise style rugby competition internally within year groups and commenced a mixed lacrosse session for the two sixth form year groups.

The development of more mixed sport was a very positive off shoot of the restrictions and something we will keep trying to develop and encourage moving forwards. All competitive sport was curtailed after half term in November 2020 and did not resume until late May when we began to be able to play inter school fixtures in cricket, tennis, and athletics in a managed way, which was a very positive development for many of our students.

The Co-Curricular sport programme remained well supported throughout the year but the frequency and range of activities we could offer was curtailed by the bubbling of year groups and the limitation of not mixing year groups. This

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

impacted provision of transport, changing, facility use, and we had to block off the sports centre each evening for a single use by a year group. Therefore, overall participation data for the academic year saw 62% of pupils engage in school team sport in the summer term or join the franchise programme earlier in the year. A decline of 6% from the previous year but given we missed a whole term of sport in the Spring this is encouraging and a positive reflection of the attitudes of students and staff to be involved and provide opportunities to play sport.

The past year has also seen us re-write the strategic vision for sport in the school and this led to the creation of new responsibilities and roles within the department. The creation of a Head of Performance (Tom Smith) has helped regenerate a focus and support for those students in the school who strive to maximise their potential in their chosen sports. His ideas and plans have been built into the strategic plan and initiatives are being implemented as we start this academic year. A role as Head of Engagement (Jeremy Walmsley) has been created to build on the good work we had started to include and encourage the students in the school who find sport and physical activity less rewarding. This has brought about targeted activities in our Co-Curricular program specifically for this group including Nerf Wars, Octopush, Fit Fun Fridays'.

Sport – Achievements

This academic year has also seen some outstanding individual performances and achievements across the School, including at international, national and regional / county level for their relevant year-groups.

Some of the most notable individual accolades are identified below:

International honours

- Ben Gostick – England Orienteering.
- Zac Segal – England Athletics, UK School Games 800m & 4 x 400m relay
- Charlie Bracken – selected for England U18 Rugby training group

National honours

- *ESSA individual Finalists*: Matthew Cox, Zac Segal, Nicolas Lee, Misha, Filipov and Kimani Jack
- Ben Gostick was 2nd in the British Orienteering Championships held in Liverpool this August

Regional

- Jack Cullen, Toby Whitehurst, and Charlie Bracken represented Saracens U18 Academy in matches.
- Jack Bracken, Charlie Hodsdon-West and Tayo Adegbemile were involved in Herts U16 Rugby matches and Saracens Developing Player Pathway.
- Athletics County Champions: James Moore U19 2k Steeplechase, Johnny Lee U19 800m, Luca Stubbs U19 1500m, Patrick Weston U15 200m, Emeline Brown 400m Hurdles (County Record), Matthew Cox U19 Triple Jump, Zac Segal U17 800m, Nicolas Lee U15 300m.
- Hockey: Elliot Lowe and Lucas Smart part of Junior Regional Performance Centre.
- Cricket: Sam Calladine, in the 14's was selected on the Northants EPP/Academy, Finley Reid and Aidan Chennells, played for Herts U18, George Sims and Sam Bevan (both scoring 1st XI 50's as 5th formers).

Team/Sports Achievements & Firsts:

- Cricket - U12 County Plate Winners, School teams Finalists in district U12, 14 & 15 Finals (not played due to COVID cancellations).
- Cross Country Team finished 4th in remote King Henry relay last year with Luca Stubbs in top 10 nationally in his age group.
- first MT13 Hockey Camp hosted at Woollams Summer 2020.
- Tennis - U15A team were the stand-out performers in competition. They won both their county league and regional playoffs and will played the regional finals in September finishing in 2nd place.

Other activities

Outside of these core areas, pupils generally have wide opportunities to participate in activities such as:-

- The Combined Cadet Force (CCF);
- Outdoor education visits, including to the School's dedicated outdoor education facility at Pen Arthur in the Welsh mountains; and
- The Duke of Edinburgh Award.

All of these activities are proving increasingly popular, showing that St Albans School can combine an exceptional academic achievement with wider personal development. These activities sadly had to be significantly curtailed in 2020 and 2021 as a result of the Covid pandemic.

Mental Health and Well-being

The School recognises the pressure that pupils find themselves under and has therefore worked hard to ensure that there is a strong system of pastoral care and well-being. Actions being taken include the following:-

- Special events and communications for students and pupils about the importance maintenance of mental health as part of their development;
- Training for staff in mental health awareness; and
- The widening of the role of the Designated Safeguarding Lead to encompass Well-being

ADDITIONAL COMMUNITY AND PUBLIC BENEFIT

The Governors regard the School's wider activities as a critical part of its activities; the School must be, and be seen to be, an important part of the local community. Governors have reviewed the guidance from the Charity Commission in respect of public benefit and continue to review this regularly against the policies and objectives of the School. Accordingly, Governors have had due regard to the guidance in reviewing activities in the year.

The Governors see the charitable benefit as being in the following categories:-

1. The education of the pupils at the School
2. Widening access through the bursary scheme
3. The considerable use of its educational and sporting facilities by the local community
4. The extensive partnerships with local schools

Each is now considered in detail:-

1. The education of the pupils at the School

In pursuing the charitable objects, the School demonstrably provides a first-class education to its pupils. This education is more than academic and social; it concerns itself with linguistic, mathematical, scientific, human, social and physical development and prepares pupils for the wider world in the best possible manner.

By parents choosing to educate their pupils at St Albans School, the taxpayer is saved from paying for their education in state-maintained schools. The Independent Schools Council estimates that this saves the taxpayer some £6,500 per pupil per year (the approximate cost per pupil at an Academy), amounting to some £5.7m per annum for the 880 pupils currently at this School.

2. Widening access through the bursary scheme

The awarding of bursaries for those unable to afford the School's fees is a measurable means of demonstrating additional public benefit beyond the education of the Charity's direct beneficiaries.

In maintaining, and where possible expanding, the bursary scheme operated by the School, we are able to select a number of pupils on purely academic criteria with minimal reference to their ability to fund the fees levied by the School. The School supports a total of 9 full fee remissions and a further 169 partial remissions including both Bursaries and

Scholarships. This represents 21% of the total School roll. In this way we believe we ensure that the benefit provided by the School is not restricted to those who have the ability to pay for education.

3. The considerable use of its educational and sporting facilities by the local community

In addition to the above, the School provides a wide variety of Community benefits as detailed above and as follows.

- Each year the School organises and hosts a *conference on Oxford and Cambridge admissions*, addressed by admissions tutors and current undergraduates, which is well attended by teachers and pupils from other local schools from both the independent and maintained sectors. The “What’s it Like to Study?” programme, whereby OAs return to the School to give presentations on their experience of university study and applications. As in previous years, the School continued its support of Sandringham School by offering mock interviews and advice to their Oxbridge candidates. This outreach has been extended to include Southgate School and is planned to be extended by assisting the staff of these schools by running workshops and training courses for Oxbridge and Russell Group admissions.
- The School continues to *support Initial Teacher Training*, with the Senior Master assisting school staff in organising this. One of our teachers acted as mentor to a School Direct trainee in Mathematics who successfully completed her Second School Placement here. We had three NQTs who successfully completed their IStip induction year, each supported by a teacher mentor and the Senior Master.
- We continue to *host visiting teachers* from a range of schools, who visited as part of their Continuing Professional Development, observing lessons and sharing best practice with our staff.
- This year the School once again offered the ‘Experience’ scheme for *helping possible entrants to the teaching profession*. We receive a number of approaches requesting volunteering opportunities; whilst these are not as easy to accommodate, each is considered on its merits.
- *The Sports Hall and Swimming Pool is open to community use* by local swimming, triathlon, basketball, netball and dance clubs and daytime use by local primary schools. It is also open to local residents when not being used for School activities.
- *Other facilities, such as the Hall and the Refectory, are available for community use.*
- *The Woollam Playing Fields and its Pavilion continue to provide an important venue for the national as well as the local community.* Over recent years, users have included:-
 - Saracens training camps, covering ages 6-16;
 - Hertfordshire rugby sevens finals;
 - Old Albanians Rugby, including their minis and juniors, with some 400-500 under-18s on site on Sundays;
 - Harpenden Hockey, including both Juniors and seniors, male and female;
 - County and District Cricket, including the ECB Junior Cricket Finals;
 - Harpenden Lacrosse;
 - Hertfordshire Fire and Rescue football;
 - Cricket academies for children 7-16;
 - Weekly dance classes;
 - A charity tennis tournament;
 - Charity bicycle rides; and
 - District, County and Regional Rugby as well as Football and Cross-Country of all levels.
- *The Woollams Pavilion also hosted a national seminar on groundsmanship.*

Much of this use is provided by the School free of charge or at low cost to cover out of pocket expenses.

From March 2020 and for much of the financial year covered by this report, this activity had to be curtailed because of the restrictions arising from the Covid pandemic.

4. The extensive partnerships with local schools

COVID brought some new challenges to the Parentship and Community Link programmes.

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

The School's Partnership and Community Link pupils followed a different programme during the last academic year since covid restrictions meant that pupils were not allowed off-site to go to their usual placements and our local Partnership schools were not permitted to visit us onsite.

With over 80 students having chosen Partnership or Community Link and realising that it was not going to be possible to follow our usual activities, new Friday Afternoon activities were developed to offer pupils the chance to develop new life-skills and take part in activities that would be useful to add to UCAS applications, whilst at the same time continuing our outreach activities in the community. We developed a carousel of activities that would be useful and enjoyable for Lower Sixth pupils and utilise the facilities and the skills of the staff that we had available on Friday afternoons.

Activities included: Driving Theory, Self-Defence, Student Finance and Budgeting, Pool Life-saving skills, Public speaking and presentations, Introduction to photography and photoshop etc.

We also included some fun activities and sports as we had the Sports Hall available, and the Lower Sixth pupils expressed their frustration at not having been able to get as much exercise as they would like. These sessions included a mini football tournament, film club, martial arts lessons, footgolf (Westminster Golf Course), swimming stroke improvement sessions (school pool) and advanced tennis skills (Woollams). We were very grateful to the PE Dept and CCF for their flexibility in sharing their spaces and facilities with us and to the teachers who were sometimes being asked to supervise activities out of their comfort zones.

Whilst there was a good deal of choice for the pupils, they all had some compulsory elements of the course. All 80+ pupils completed a First Aid course run by a parent of an ex-pupil, who had recently set up a company teaching first aid to teenagers, and they all gained their First-Aid qualification. All 20+ Community Link pupils did an online course learning BSL (sign language for the deaf), and all the Partnership pupils worked in rotation on Partnership activities including developing Science modules that could be taught once pupils were allowed back on site and making a quiz booklet to send out to the Partnership Pupils at Christmas. They also put together folders of poems, letters and pictures to send to the Care Homes that we had been unable to visit during lock-down.

As well as finding different and valuable activities for the 80+ Lower Sixth pupils on Friday afternoons we also realised that was important to continue to focus on community outreach and consequently the School's Partnership programme adapted to the circumstances and rapidly mobilised to support the local community in various ways, all in line with our motto ('non nobis nati') and values. Here are some of the community-based activities that took place during the year: Partnership Sixth Form pupils who were unable to visit their usual partnership placements put together puzzle books and quizzes to send to the partnership primary schools and created folders of poems, letters and pictures which were sent to the local care homes, school alumni and elderly members of the community who were self-isolating.

Remote learning provided us with an opportunity to share school resources, lessons and expertise and our Head of PSHEE who had been very involved in Partnership adapted her remote learning lessons for our Partnership Primary schools and sent out weekly power point lessons to share with the local schools. Alongside this we welcomed over 100 local Sixth Formers to our popular Stephen Hawking Society lectures. The lecture club is aimed at Sixth Form scientists and mathematicians and has been fortunate enough to attract speakers such as Nobel Prize Winner Tim Hunt, Sir Michael Berry, and Professor Stephen Hawking in the 15 years since its formation. As the lectures were taking place remotely, we were able to extend an invitation to Sixth Form students from many schools across Hertfordshire and guest speakers joined us from home and abroad. Another of our co-curricular activities *PhysicsBeyond* (developed for year 12 & 13 students with an interest in Physics and Maths and exploring the subject beyond the school syllabus) was also offered to local schools and these pupils joined the sessions remotely via Teams.

More recently a St Albans School parent, along with her GP colleagues, who had been running a large Covid Vaccination Centre for the residents of Hertsmere approached us with a request for some assistance. The medical team had been preparing the Pfizer and AstraZeneca vaccinations in the kitchen and transferring them to the tables in the hall for their group of volunteers to administer. The parent reached out to St Albans School Design and Technology Department to ask for support in designing a container that they could use to transport the vaccines safely. The Department worked with

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

the assistance of a group of Fourth Form GCSE pupils, in designing and producing suitable trays, built to the specifications requested and the response of the volunteer vaccinators was very positive. They told us, 'The containers will totally transform the way we can safely deliver these lifesaving vaccines to our patients,' and 'it will allow us to work even faster giving the Covid vaccine.'

Whilst missing out on the opportunity to take part in our usual Partnership activities and interacting with our local primary schools and Care Homes last year, the Sixth Form pupils involved were actively involved and engaged in the alternative activities on site on Friday afternoons and gained some useful knowledge and skills throughout the year.

Combined Cadet Force Partnership

This is a Ministry of Defence-approved partnership between St Albans School CCF and the state-maintained Marlborough Science Academy in St Albans, which involves the training of Year 9 to 11 Cadets from Marlborough Science Academy alongside our own cadets. In addition, staff from Marlborough are trained as Officers. The aim of the partnership is to train both the Cadets and Officers from Marlborough Science Academy, with a view to Marlborough setting up its own CCF in due course, but the linkages that this initiative are providing suggests that a deeper, more long-lasting partnership would bring benefits to all.

The Duke of Edinburgh Award

This popular scheme continues to give young people a great deal of opportunity to involve themselves in volunteering for their local community. A normal year would have seen:-

- considerable volunteering and a series of contributions through this to good causes through their placements;
- students also developed new or existing skills and physical activities outside of School time.
- Expeditions taking place all over the British Isles and Europe assisted and assessed by over 20 members of staff.

In 2020, and with the closure of the site from March 2020, most of these activities had to be stopped. Sadly this has meant that pupils have not been able to complete their Awards this year, and the contribution to the wider community through this has been similarly affected.

Environmental Work

The Environmental Group is a member of the British Trust for Conservation Volunteers (BTCV) and aims to foster an awareness of local conservation issues and to help the community by participating in schemes to improve the local environment.

Charitable Fundraising

This year the School community has again raised considerable sums for charitable causes. It has achieved this through a wide range of activities, including whole-school activities, form group events and individual efforts.

CLIMATE CHANGE

The School, its pupils and its staff recognise the importance of sustainable development and the need to reduce the impact of carbon emissions. In recent years, the School has taken a large number of measures to reduce its environmental impact, including the following:-

- The renewal of all the heating boilers on the School's main site to ensure that these are modern and efficient;
- The installation of electric vehicle charging points;
- The building of additional covered bicycle racks to encourage use of bicycles;
- Significant reduction in single-use plastics;
- Ensuring that all of the School's waste is sorted for recycling; and
- That new buildings and facilities are built to the highest standards of environmental impact.

Around half of students travel in by coach, thus reducing car travel. Approximately 25% of pupils commute by car. This is substantially less than the average across all Hertfordshire schools (which is around 40%) and already in line with the County Council's ambitious targets for all schools.

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

The School also has a Green Council, where pupils and staff meet to review progress and consider what further steps might be taken.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The School had 890 pupils at the end of the financial year (2020 – 860). The School population from September 2021 was 882 pupils.

Total income of the School (excluding donations) for the year was up by 2.8% on the corresponding period in 2019/20. This level of income is required to finance the ongoing capital expenditure needed to upgrade the School's facilities and support the playing fields, and in order to keep pace with what is expected of the School as a premier educational establishment.

With regard to the Covid pandemic, action was taken across the School to address this. This included:-

- saving as many costs as was possible and being prudent in the period of site closure from January to March 2021; and
- providing fee deferment and bursary assistance to those parents in financial difficulty and raised money from generous donors to help finance this assistance.

The School's Net Income (excluding donations) was £1,399,524 (2020 - £828,789), some 8.6% of net fee income. The surplus was below the medium-term benchmarks that the Board uses but is moving in the right direction. In order to maintain standards and investment, while keeping our costs and therefore our charges to parents, to a minimum, the Governors wish to see continued improvement over the medium term and a plan is in place to do so.

During the year the School Foundation raised a total of £774,661, which was allocated as requested by donors in supporting bursaries, specific capital projects such as the Performing Arts and Science developments and for other capital items where a difference could be made to the School. These donations have significantly assisted in our ability to provide funding both for the future and for current needs.

As a charity, the School gives parents the assurance that all income must be applied for educational purposes. As an educational charity, the School has tax exemption on educational activities, investments and gains applied to our charitable objects. The financial benefits received from these tax exemptions are all applied for educational purposes and indirectly assist our bursary policies and partnership scheme.

However, as an educational charity, we are unable to reclaim input VAT on our costs as we are exempt for VAT purposes. With VAT at 20%, this cost needs to be absorbed by continued attention to efficiency and cost effectiveness.

As noted above, educating 890 pupils provides saving to the taxpayer of around £5.8million, to which needs to be added the approximate amount of UK tax supported by the School of approximately £8.9million. In addition to this relief to the public purse, the School brings substantial benefits to the local community, as a major employer, through the education we offer, our bursary programme and the Community Link and Partnership scheme, which creates a social asset without cost to the Exchequer.

We consider that the key financial performance indicators are those that communicate the financial performance and strength of the School as a whole, those being pupil numbers, academic results for the year, surplus for the period, extra-curricular performances and applications for places for the following year. For the period under review, pupil numbers continue to be at historically high levels, academic results are near record, the financial result for the period was acceptable in current circumstances and registrations for future admission have increased on the previous year. Taking all of these together, the performance of the School remains excellent. All of these factors give the Governors the confidence that the School is, and will remain, a going concern, and so the accounts have therefore been prepared on the basis that the charity is a going concern.

Reserves Policy

The total funds of the Charity at 31 August 2021 amounted to £27,436,522 (2020 - £25,084,802) of which £1,212,914 (2020 - £1,108,482) were endowed funds, £1,250,694 restricted and £24,972,914 unrestricted (2020 - £989,153 and £22,987,167 respectively). The unrestricted funds include designated funds which represent Bursary, Foundation, Professor Hawking Memorial Fund and Tour funds and amounted to £3,592,901 (2020 - £3,944,537) at the year end.

It is the Governors' aim to maintain adequate reserves between 5% and 10% of fee income to enable the School to meet unforeseen costs or to cover any shortfall in expected fees or other income. The level of reserves is monitored and reviewed annually by the Governors. Free reserves in the School at the year-end (non-designated, unrestricted reserves less fixed assets minus loans on such assets) amounted to £3,723,621 (2020 - £2,524,799) which the Governors regard as adequate, but not excessive, having regard to forecast levels of income and expenditure and to the likelihood of contingencies arising that might not be met out of income when they arise. The Strategic Development Plan, approved by the Governors in June 2016, set out how the financial position of the School would continue to improve over the following five years through a carefully-managed balance of a continued, small increase in pupil numbers in line with demand and an ongoing focus on the costs of the School.

Investment policy and objectives

The Governors' investment powers are governed by the Memorandum and Articles of Association which permit the funds of the School to be invested as may be thought fit subject to such conditions and such consents as may be imposed or required by law.

It is the Governors' policy to aim for a reasonable long-term overall return with the emphasis on income generation whilst maintaining the capital value of the funds in real terms.

The School continues to diversify its investments to provide a moderate but managed level of risk, commensurate with maintaining a suitable annual income and some element of capital growth. The Finance Committee continues to review investment policy and returns.

The fund managers aim to preserve the portfolio above the rate of inflation. For the year to 31 August 21 this performance was achieved.

FUTURE PLANS

The School's Strategic Development Plan was approved by the Board in June 2016 and the School is being managed in accordance with that. This plan sets out the development for the School over the following five years, reaffirming the Aims and Objectives as set out in the Aims, Objectives and Activities section above.

Governors are reviewing the Strategic Development Plan such that the new plan will be in place in 2022.

GROUP STRUCTURE AND RELATIONSHIPS

The School has two connected charities:

(a) Development Trust (Registered Charity No. 311052)

The Trust received monies donated by public appeal and passed those monies to the School as the objects of the appeals were discharged. All work for which appeals were made has been completed and this entity is now inactive. The Trust is currently the lessee of certain land at Cheapside Farm in connection with the development of playing fields by the Old Albanian Sports Association Limited.

(b) Woollam Playing Field Trust (Registered Charity No. 311020)

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

The objects of the Charity, as set out in the Charity Commission Scheme, are:

- (1) the provision and maintenance of playing fields and other recreational facilities for the pupils attending St Albans School;
- (2) the maintenance and support of St Albans School; and
- (3) the promotion of education of the pupils attending the St Albans School in such ways as the Trustee thinks fit.

The School has a trading subsidiary company **Abbey Gateway Enterprises Limited** which is included and consolidated into the School's group accounts in the year ended 31st August 2021.

Results for Abbey Gateway Enterprises Limited show a retained loss for the year of £16,217 (2020 – £652).

PRINCIPAL RISKS AND UNCERTAINTIES

The major risks faced in each of the principal areas of the School's operations have been examined. The School's Risk Register is regularly reviewed in detail by the Audit & Risk Committee and the full Board, which receives a formal annual report from the Audit & Risk Committee as well as updates at each meeting.

In the opinion of the Governing Body, the major risks to which the School is exposed, as identified, have been reviewed and processes to manage those risks have been established, which, under normal conditions, should allow these risks to be mitigated to an acceptable level in the School's day-to-day operations. Risks are also reviewed in the context of the long-term strategic objectives of the school and their likely impact on this plan. Major risks currently identified include:-

- changes in legislation potentially affecting the charitable status of the School;
- inherent risks within a School environment, and in particular, safeguarding and associated risks such as reputational;
- the long term impacts of the Covid pandemic on the School and its community (pupils, parents and staff), including the general economic environment and the potential financial consequences for the School (see below);
- the increasingly onerous compliance and regulatory background in which the School operates, adding to the operational and administrative costs of the School; and
- the recruitment and retention of staff of the required calibre to maintain the School's high standards.

The potential impacts of these risks, together with their likelihood of occurrence, are reviewed against the ability of the School to continue to operate at the highest level academically and appropriate control mechanisms have been established. With these risks and uncertainties in mind, the Governing Body is aware that plans for future development of the School may be subject to unforeseen future events outside of the direct control of the School.

The School looks to address the risks above through generic controls (see below) and specific actions such as:-

- Keeping a close watching brief on emerging changes to charity legislation;
- Ensuring that the members of the safeguarding team are fully trained and resourced;
- Analysing potential implications for the School of changes in the legislative environment and preparing the School in advance as necessary and where possible; and
- keeping the terms and conditions for the School's staff under close review, amending as necessary.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committee and Board activity;
- strategic development planning, reviewed annually by the Board;
- comprehensive budgeting and management accounting;
- established organisational structures and lines of reporting;
- formal written policies including clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for both the School and its subsidiary.

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

Governors have considered the ongoing risks and possible consequences on the School of the Covid-19 pandemic, and in particular, the potential long-term impact on fee receipts and pupil numbers. Governors have also considered the issues of cost pressures, with general inflation being seen across all areas and especially with energy costs. While it is not possible to forecast with any degree of detail what the long-term impacts might be, and following their review, Governors have concluded that the School is, and have reasonable expectations that it will remain for the foreseeable future, a going concern and the accounts have been prepared on that basis.

GOVERNANCE AND MANAGEMENT

Governing Document and Governing Body

The School is governed by its Articles of Association which were fully updated in August 2018. The Governors, who are also the Charity Trustees, are responsible for the overall management and control of St Albans School. The Governors are the Directors, Members and Charity Trustees of the Charitable Company. The Governors of the charitable company during the year were as follows; unless otherwise indicated they served throughout the year.

Ms L Ainsworth	4, 5, 6	
P Brown (OA)	3	Resigned 8 February 2021
Lt Col MWS Cawthorne RM Retd	4, 5	
A Dalwood (OA)	2, 4, 6	Resigned 10 October 2021
Sir Roy Gardner (Chairman until May 2021)	2, 4	Resigned 8 May 2021
Ms A Hurst	1, 4	Resigned 20 March 2021
Mrs F Lightowler	2, 3	Appointed 26 June 2021
RR Lucas	2	Resigned 8 May 2021
Professor J Luzio (Interim Chair May-Sept 2021)	1, 6	
C McIntyre	6	
S Majumdar	4	
N Moore (OA)	5, 7	
C Oglethorpe	1, 4	Appointed 26 June 2021
N Osborn (OA) (Chairman Oct 2021 onwards)	4	Appointed 15 September 2021
Ms A Philpott	1	Appointed 26 June 2021
Mrs C Pomfret	2, 6, 7	
M Punt	1	
A Woodgate (OA)	3, 7	

1 - Education Committee, 2 - Finance Committee, 3 - Property Committee, 4 - Nominations, Remuneration and Governance Committee, 5 - Audit & Risk Committee, 6 - Covid Committee, 7 - North St Albans Committee

During the year the Board of Governors met formally 4 times to review all matters relating to the School. All Trustees give of their time freely and no remuneration was paid in the year.

To help to manage and support the School's response to the Covid pandemic, a separate Governors' committee was formed, which met fortnightly during key periods.

The Board's committees all have clearly defined responsibilities, terms of reference and reporting lines back to the Board of Governors. In addition, individual Governors give time to specific projects to match their skills and experience.

Governors are appointed for terms of four years. Any retiring Governor who remains qualified shall be eligible for reappointment in accordance with Article 5.3 for up to two further terms of four years but shall not then be eligible for

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

reappointment unless the Governors resolve by a majority of not less than 75% of those voting at the relevant meeting that they should continue in office (Article 5.5).

The Bursar, in his role as Clerk to the Governors, is responsible for co-ordinating the work of the Governing Body and its Committees, circulation of papers and reviewing matters arising.

At least one meeting per year is with the full Board of Governors and the Advisory Council to review the previous academic year's performance. The current Advisory Council is made up as follows:-

The Right Worshipful, the Mayor of the City & District of St Albans
The Very Reverend J P H John, The Dean of the Cathedral and Abbey Church of St Alban
The President of the Old Albanian Club
P Brown
O King
P Rattle
L Sinclair
B Walker
Judge Wilding

The Mayor and the Dean of St Albans, together with the President of the Old Albanian Club, serve ex-officio for their respective terms of office.

Members of the Advisory Council may also attend committees of the Board and bring considerable knowledge and expertise to the School and its governance. They are not Governors, Directors or Members of the Company.

Recruitment and Training of Governors

Governors are appointed on the recommendations received from Governors concerning eligibility, specialist skills and availability.

New Governors are inducted into the workings of the School and its connected charities, including Board policies and procedures. They are also invited to attend, where appropriate, training courses and seminars organised by AGBIS and associated bodies or organisations.

Organisational Management

The day-to-day running of the School is delegated to the Headmaster and Bursar supported by the Senior Management Team. The Headmaster, Bursar, Second Master and Deputy Head Academic attend meetings of the Governing Body and its committees.

Remuneration

Remuneration is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel; staff costs are the largest single element of the School's charitable expenditure.

Employment policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Consultation with employees, or their representatives, has continued at all levels with the aim of taking the views of employees into account when decisions are

ST ALBANS SCHOOL

ANNUAL REPORT OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2021

made that are likely to affect their interests. Employees are made aware of the financial and economic performance of the School.

Charity Governance Code

The Board of Governors has reviewed the Charity Governance Code in detail and compared the School's structures and performance against each key area. This analysis has been presented to, and discussed by, the Board of Governors as a whole. The Governors are satisfied that the School applies the principles of the Code within its current Governance arrangements and is making additional efforts to ensure that the constituents of the Governing Board has a diverse representation which reflects the nature of the Charity's beneficiaries.

Fundraising

St Albans School Foundation is managed by the staff of the School's Development Office, led by the Development Director, and does not engage third party fundraisers or commercial participators. The Development Office is overseen by the Headmaster with overall oversight by members of the Governing Body and in particular, the Audit & Risk Committee of the Board. SAS Foundation is a member of the Institute of Development Professionals in Education and subscribes to the Fundraising Preference Service. It has voluntarily registered with the Fundraising Regulator and complies fully with the Code of Fundraising practice. The Development Office has Terms of Reference approved by the Board of Governors.

St Albans School Foundation has not received any complaints about its fundraising activities in this period. It always ensures that due care and attention is given to protect members of the public, and in particular vulnerable people, from any undue pressure or unreasonable intrusion related to fundraising. The Foundation also ensures that our storage and use of personal data used for fundraising is compliant with GDPR.

SENIOR LEADERSHIP

The Headmaster	Jonathan Gillespie MA (Cantab), FRSA
Second Master	Ms Melody Jones BSc
Deputy Head – Teaching and Learning	Mrs Victoria Saunders BA, MEd
Deputy Head - Staff	Gareth Nichols BA, MEd
The Bursar & Clerk to the Governors	Richard Hepper MA (Cantab), FCA

PRINCIPAL ADDRESS AND REGISTERED OFFICE

St Albans School, Abbey Gateway, St Albans Hertfordshire AL3 4HB

WEBSITE

www.st-albans.herts.sch.uk

COMPANY SECRETARY

R Hepper MA (Cantab), FCA

BANKERS

Clydesdale Bank Plc - Verulam Point, St Albans AL1 5HE

Barclays Bank Plc - Blenheim Gate, 22-24 Upper Marlborough Road, St Albans AL1 3AL

SOLICITORS

Debenhams Ottaway LLP – Ivy House, 107 St Peter's Street, St Albans AL1 3EW

Farrer & Co LLP – 66 Lincoln's Inn Fields, London WC2A 3LH

Veale Wasborough Vizards LLP – Barnards Inn, 86 Fetter Lane, London EC4A 1AD

CMS Cameron McKenna Nabarro Olswang LLP – Cannon Place, 78 Cannon street London EC4N 6AF

AUDITORS

Crowe U.K. LLP - 55 Ludgate Hill, London EC4M 7JW

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

The members of the Governing Body (who are also the Directors of St Albans School for the purposes of company law) are responsible for preparing the Annual Report of the Governors, the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the members of the Governing Body to prepare financial statements for each financial year. Under company law the Governing Body members 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 incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period.

In preparing these financial statements, the Governing Body members are required to:-

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Governing Body are responsible for ensuring that adequate accounting records are kept sufficient to show and explain the charitable company's transactions, 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 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Relevant Audit Information

Insofar as each of the Directors, as members of the Governing Body, at the date of approval of this report is aware there is no relevant audit information (information needed by the Company's auditor in connection with preparing the audit report) of which the Company's auditor is unaware.

Each member of the Governing Body has taken all the steps that he or she should have taken as a member of the Governing Body in order to make himself or herself aware of the relevant audit information and to establish that the Company's auditor is aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of St Albans School on 5th March 2022, including in their capacity as company directors approving the Directors' and Strategic Report therein, and is signed on its behalf by:



Mr Neil Osborn

Chairman and Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ALBANS SCHOOL

Opinion

We have audited the financial statements of St Albans School ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2021 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ALBANS SCHOOL

- prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST ALBANS SCHOOL

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were The Education (Independent School Standards) Regulations 2014, employment legislation, health and safety legislation and general data protection legislation.


Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, performing analytical reviews and testing income for completeness, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: **14 April 2022**

ST ALBANS SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021 (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Endowed Funds £ 000's	2021 £ 000's	2020 £ 000's
Income and endowments from:						
Charitable activities						
School fees receivable	2	16,201	-	-	16,201	15,170
Other educational income	3	1,048	-	-	1,048	1,199
Other trading activities						
Non-ancillary trading income	4	104	-	-	104	232
Other activities	4	154	-	-	154	144
Investments						
Investment income and interest	5	31	29	-	60	58
Donations and legacies						
Donations	6	697	54	-	751	850
Other Income						
Other income		76			76	285
Total income		18,311	83	-	18,394	17,938
Expenditure on:						
Raising funds						
Financing costs		123	-	-	123	154
Development office		214	-	-	214	190
Non- ancillary trading		938	-	-	938	1,033
Investment management costs		16	13	-	29	29
Total deductible costs		1,291	13	-	1,304	1,406
Charitable activities						
Education		14,764	168	-	14,932	14,851
Total expenditure		16,055	181	-	16,236	16,257
Net incoming/(outgoing) funds from operations before transfers and investment gains						
		2,256	(98)	-	2,158	1,681
Gains/(losses) on other investments		131	-	106	237	(36)
Transfers between funds	18	(253)	253	-	-	-
Net income and capital inflow		2,134	155	106	2,395	1,645
Fund balances brought forward at 1 September 2020		22,987	989	1,109	25,085	23,440
Fund balances carried forward at 31 August 2021	18	25,121	1,144	1,215	27,480	25,085

The notes on pages 28 to 47 form part of these financial statements.

ST ALBANS SCHOOL**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £000's	2020 £000's
Income from:			
Charitable activities			
School fees	2	16,201	15,170
Other educational income	3	1,048	1,199
Other trading activities			
Sub-letting and management charges	4	154	144
Non ancillary trading income		104	232
Investments			
Dividends, bank and other interest	5	60	58
Donations and legacies			
Grants and donations - Unrestricted		697	43
- Restricted	6	54	807
Other income		76	285
Total income		<u>18,394</u>	<u>17,938</u>
Expenditure on:	7		
Costs of raising funds			
Financing costs		123	154
Development office		214	190
Non ancillary trading		938	1,033
Investment management costs		29	16
		<u>1,304</u>	<u>1,393</u>
Charitable activities			
Education		14,932	14,851
Total expenditure		<u>16,236</u>	<u>16,244</u>
Net income before investment gains and inter-fund transfers		2,158	1,694
Net investment gains for the year		131	(21)
Net income for the year		<u>2,289</u>	<u>1,673</u>

The above Summary Income and Expenditure Account represents the total unrestricted and restricted income and expenditure as shown in the Statement of Financial Activities on Page 23 and its presentation is required under the Companies Act 2006.

ST ALBANS SCHOOL

COMPANY REGISTRATION NUMBER 04400125
CONSOLIDATED AND SCHOOL BALANCE SHEETS
AS AT 31 AUGUST 2021

		Group		School	
	Notes	2021 £000's	2020 £000's	2021 £000's	2020 £000's
FIXED ASSETS					
Tangible assets	9	19,574	18,810	19,574	18,810
Investments	10	9,341	9,133	9,341	9,133
		<u>28,915</u>	<u>27,943</u>	<u>28,915</u>	<u>27,942</u>
CURRENT ASSETS					
Stock		53	62	-	-
Debtors	11	676	632	657	628
Cash and deposits		4,572	3,616	4,452	3,579
		<u>5,301</u>	<u>4,310</u>	<u>5,109</u>	<u>4,207</u>
CURRENT LIABILITIES					
Creditors payable within one year	12	(6,023)	(4,268)	(5,876)	(4,224)
NET CURRENT ASSETS		<u>(722)</u>	<u>42</u>	<u>(767)</u>	<u>(17)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		28,193	27,985	28,148	27,926
LONG-TERM LIABILITIES	13				
Creditors payable after one year		(614)	(2,766)	(614)	(2,766)
Pension Scheme funding deficit		(99)	(134)	(99)	(134)
NET ASSETS	17	<u>27,480</u>	<u>25,085</u>	<u>27,435</u>	<u>25,026</u>
REPRESENTED BY	18				
PERMANENT ENDOWED FUNDS		67	67	67	67
EXPENDABLE ENDOWED FUNDS		1,148	1,042	1,148	1,042
RESTRICTED FUNDS		1,144	989	1,144	989
UNRESTRICTED FUNDS					
Designated Reserve- includes revaluation reserve of £126,303 (2020: £12,085)		3,698	3,944	3,698	3,944
School Reserve		21,551	19,206	21,505	19,147
Pension Reserve	20	(128)	(163)	(128)	(163)
TOTAL FUNDS		<u>27,480</u>	<u>25,085</u>	<u>27,434</u>	<u>25,026</u>

The net result for the financial year dealt with in the financial statements of the parent charity was a surplus of £2,410,707 (2020 £1,648,990).

These financial statements were authorised for issue and approved by the Board on 5th March 2022
and were signed on its behalf by:



Mr Neil Osborn

Chairman of the Governing Body

The notes on pages 28 to 47 form part of these financial statements.

ST ALBANS SCHOOL

**CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £000's	2020 £000's
Net cash inflow from operations			
Net cash provided by operating activities	(i)	<u>2,863</u>	<u>747</u>
Cashflows from investing activities:			
Payments for tangible fixed assets	(1,131)		(2,493)
Additions to securities investments portfolio	(29)		(28)
Withdrawals from securities investments portfolio	28		28
Investment income and bank interest received	60		58
Net cash provided by investing activities		<u>(1,072)</u>	<u>(2,435)</u>
Cashflows from financing activities:			
Addition/(repayment) of loans	(712)		(665)
Finance costs paid	(123)		(154)
Net cash (used in) financing activities		<u>(835)</u>	<u>(819)</u>
Change in cash and cash equivalents in the reporting period		956	(2,507)
Cash and cash equivalents at the beginning of the reporting period		3,616	6,123
Cash and cash equivalents at the end of the reporting period	(ii)	<u><u>4,572</u></u>	<u><u>3,616</u></u>

ST ALBANS SCHOOL

**NOTES TO THE CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

(i) Reconciliation of net income to net cash flow from operating activities

	2021 £000's	2020 £000's
Net income	2,158	1,681
Elimination of non-operating cashflows:		
Investment income	(60)	(58)
Finance costs	123	154
Investment management charges	28	29
Depreciation charge	367	330
(increase)/decrease in inventory	9	(11)
(Increase)/decrease in debtors	(44)	(18)
Increase/(decrease) in creditors	282	(1,360)
Net cash provided by operating activities	2,863	747

(ii) Analysis of cash and cash equivalents

Cash at bank	4,572	3,616
	4,572	3,616

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Charities SORP (FRS102).

The functional currency of the School is considered to be GBP because that is the currency of the primary economic environment in which the School operates.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investment properties and other investments.

The School has taken advantage of the exemption available to a qualifying entity in FRS102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Going Concern

The Governors consider that the key financial performance indicators are those that communicate the financial performance and strength of the School as a whole, those being pupil numbers, academic results for the year, surplus for the period, extra-curricular performances and applications for places for the following year. For the period under review, pupil numbers continue to be at historically high levels, academic results are near record, the financial result for the period was acceptable in current circumstances and registrations for future admission have increased on the previous year.

The Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 19.

Accounts

These accounts, in accordance with a Charity Commission uniting direction, combine the financial statements of the company, St Albans School, and its trusts, the St Albans School Trust, the St Albans School Scholarship and Bursary Trust, the St Albans School John Clough Bursary Trust, George Wishart Prize Fund and the James Baum Prize Fund.

The accounts for the School's wholly owned trading subsidiary, John Insomuch Schoolmaster Printer (1479) Limited, have not been consolidated on the basis that it is dormant and not material to these accounts.

The accounts present the consolidated statement of financial activities (SOFA), the consolidated cash flow statement and the consolidated and School balance sheets on a line by line basis, comprising the consolidation of the School and its wholly owned subsidiary Abbey Gateway Enterprises Ltd.

No separate SOFA has been presented for the School alone as permitted by Section 408 of the Companies Act 2006.

The School is a Public Benefit entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 21 March 2002 (company number 4400125) and registered as a charity on 12 July 2002 (charity number 1092932). The registered office is Abbey Gateway, St Albans, Hertfordshire, AL3 4HB.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1 ACCOUNTING POLICIES (continued)

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the School's financial statements.

Fees and other educational income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions allowed by the School, but include contributions received from bursaries and other trusts.

Investment income

The income derived from investments is accounted for on an accruals basis and is credited to the relevant fund when it is receivable. Income from investment properties is accounted for in the period to which the rental income relates. Rental income (including incentives received or paid) for operating leases on investment property are recognised in the Statement of Financial Activities on a straight line basis over the lease term.

Donations, legacies grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Donations received for the general purposes of the School are credited to "designated funds" to distinguish them from direct School income. Donations subject to specific wishes of the donors are carried to the relevant restricted funds or to endowed funds as appropriate.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. All costs have been directly attributed to one of the functional categories of expenditure in the SOFA. The irrecoverable element of VAT is included within the item of expense to which it relates.

Governance costs comprise the costs of external audit, any legal advice for the Governors, and all costs of complying with constitutional and statutory requirements, such as preparing statutory accounts and satisfying public accountability. Intra-group sales and charges between the School and its subsidiaries are excluded from trading income and expenditure.

School buildings

The original School buildings erected before 1929 are all listed properties. They are carried at the amount of the original gift together with the cost of other buildings erected subsequently as the Governors consider it is not appropriate to apply a current value to such property. The School is responsible for keeping these properties in fit and useful condition and such costs are written off as incurred.

Depreciation

Depreciation is provided on the original cost of all tangible fixed assets, except freehold land, at rates calculated to write off the cost less estimated residual value based on current market prices of each asset over its expected useful life as follows:

Freehold property	- Over 50 years
Long Leasehold property	- Over 50 years
Equipment and vehicles	- Over 3 to 10 years

Capitalisation

Items of equipment and fixtures and fittings are capitalised when part of a new project where the total cost of such items exceeds £50,000. Other incidental costs of equipment are charged to the statement of financial activities under appropriate cost headings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****1 ACCOUNTING POLICIES (continued)****Investments**

Investment properties are valued as individual investments at their market values as at the balance sheet date. Rental income is recognised in the period to which it relates. Purchases and sales of investment properties are recognised on exchange of contracts. The investment properties at Cheapside Farm are stated at market value as at 23 August 2019, as calculated by Bidwells LLP Chartered Surveyors (regulated by RICS). The Governors believe this to be a reasonable estimate of the current open market value.

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

Fund accounting

Foundation Maths Fund	-	Restricted funds
Foundation Bursary Fund	-	Restricted funds
Covid 19 Hardship Fund	-	Restricted funds
St Albans School John Clough Bursary Trust	-	Permanent endowment funds
St Albans School Trust	-	Permanent endowment funds
St Albans School Scholarship & Bursary Trust	-	Expendable endowment funds

The unexpended income of the above trusts is restricted.

The School land at Abbey Gateway, St Albans, has been acquired by gift and purchase over more than one hundred years. All of this School land is permanently endowed and is held in the St Albans School Trust.

The School's other funds are unrestricted except that some funds have been designated by the Governors for certain purposes.

Pension scheme

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

The School offers membership of a defined contributions pension scheme (The Pensions Trust Growth Plan) to non-teaching staff. The School's contributions to the pension schemes are charged to the income and expenditure account as they fall due. Some staff hold funds in Growth Plan Series I to III; although no contributions were made after 30th September 2013. This is a multi-employer scheme where it is not possible to identify separately the assets and liabilities. A liability is recognised for the present value of agreed additional contributions payable to fund a deficit in the scheme related to past service. See Note 20

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except fees received in advance (deferred income), social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

Advance fee scheme

Amounts received under the School's Fees in Advance Scheme contracts for education not yet utilised to settle school fees are recorded as deferred income and allocated as current liabilities.

Taxation

The School's surpluses are derived from, and are applied towards, the maintenance of charitable activities and as such are not subject to taxation.

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2 CHARITABLE ACTIVITIES - FEES RECEIVABLE

	2021 £ 000's	£ 000's	2020 £ 000's	£ 000's
(a) School fees comprise:				
Gross fees	17,372		16,260	
Less: Bursaries, scholarships, grants and allowances	(1,316)		(1,153)	
		16,055		15,107
Add: Scholarships and bursaries paid for by restricted funds		146		50
Other scholarships and bursaries paid for by unrestricted funds:				
Foundation funds		-		13
		16,201		15,170

(b) The total grants, awards and prizes paid for by restricted funds comprises:

	2021 £ 000's	2020 £ 000's
Scholarships	34	-
Music awards	1	-
Foundation Bursaries	5	4
Covid-19 Hardship Fund	106	46
	146	50

Scholarships and bursaries valued at £ 861,430 (2020- £882,585) were awarded in the year. Of this total, £563,730 (65%) was awarded through means-tested bursaries. An additional £106,275 of bursaries were awarded from the Covid 19 Hardship fund. A total of 178 pupils in the School received either a bursary or scholarship (including Covid 19 awards) during the year (2020: 178) of whom 8 received total remission of fees (2020: 9).

3 CHARITABLE ACTIVITIES - OTHER EDUCATIONAL INCOME

	2021 £ 000's	2020 £ 000's
Coaches	570	483
Entrance and registration fees	92	60
Examinations	71	69
Welfare	298	320
School Tours and trips	8	214
Miscellaneous	9	53
	1,048	1,199

4 OTHER TRADING ACTIVITIES

	2021 £ 000's	2020 £ 000's
Non ancillary trading income		
Abbey Gateway Enterprises Ltd	104	232
	104	232
Other activities		
Management charges	12	23
Sub-lettings	130	117
Miscellaneous	12	4
	154	144

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

5 INVESTMENT INCOME AND INTEREST

	2021 £ 000's	2020 £ 000's
Investment income		
UK equities	14	14
Overseas securities	40	39
	<u>54</u>	<u>53</u>
Bank and other interest		
Cash	6	5
	<u>60</u>	<u>58</u>

6 DONATIONS RECEIVABLE

	2021 £ 000's	2020 £ 000's
Foundation donations	651	704
Other donations	100	146
	<u>751</u>	<u>850</u>

7 ANALYSIS OF EXPENDITURE

(a) Total expenditure

	Staff costs (Note 8) £ 000's	Other costs £ 000's	Depreciation (see below) £ 000's	Total 2021 £ 000's	Total 2020 £ 000's
Charitable expenditure					
Education and grant making					
Teaching	7,969	1,285	33	9,287	9,547
Welfare	95	521	-	616	541
Premises	399	1,584	334	2,317	2,388
Support costs of schooling and governance	1,289	1,267	-	2,556	2,302
Grants, awards and prizes	-	156	-	156	73
Total charitable expenditure	<u>9,752</u>	<u>4,813</u>	<u>367</u>	<u>14,932</u>	<u>14,851</u>
Costs of raising funds:					
Financing costs	-	123	-	123	154
Development office	144	71	-	214	190
Abbey Gateway Enterprises Ltd	20	918	-	938	1,033
Investment management	-	28	-	28	29
Total costs of raising funds	<u>164</u>	<u>1,140</u>	<u>-</u>	<u>1,304</u>	<u>1,406</u>
Total expenditure	<u>9,916</u>	<u>5,953</u>	<u>367</u>	<u>16,236</u>	<u>16,257</u>

Depreciation and other costs relating to the School's endowed fund properties totalling £635 (2020 - £635) have been charged directly to the endowment fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7 ANALYSIS OF EXPENDITURE (continued)

(b) Governance included in support costs:	2021 £ 000's	2020 £ 000's
Auditors' remuneration - audit	24	24
- other services	1	1
- prior year (over)/under provision	-	-
Reimbursement of expenses to no (2020 - 0) Governors - travel costs	-	-
Other governance costs	76	1
	<u>101</u>	<u>26</u>

8 STAFF COSTS AND RELATED PARTY TRANSACTIONS

Total staff costs comprised:	2021 £ 000's	2020 £ 000's
Salaries and wages	7,763	7,537
Social Security contributions	855	823
Pension contributions	1,298	1,293
	<u>9,916</u>	<u>9,653</u>

- (a) None of the Governors received remuneration from St Albans School. No Governor (2020-0) received reimbursement of travel expenses.
- (b) During the year the School paid £13,728 in respect of directors' and officers' indemnity insurance (2020 - £7,751).
- (c) The average number of employees in the year calculated on a full time equivalent basis was 158 (2020 - 158) of which 96 (2020 - 97) were teaching staff. This equated to total average employees of 186 (2020 - 177).
- (d) During the year there were no termination payments. (2020 - £0).
- (e) Aggregate employee benefits of key management personnel was £842,041 (2020 - £832,186).

The remuneration of the highest paid employees fell within the following bands (excluding pension contributions).

	2021	2020
£60,001 - £70,000	13	12
£70,001 - £80,000	4	5
£80,001 - £90,000	2	1
£90,001 - £100,000	-	2
£100,001 - £110,000	1	-
£110,000 - £119,999	1	1
£201,000 - £210,000	1	1

The number of higher paid employees for whom retirement benefits are accruing under a money purchase scheme amounted to 2 (2020 - 2) and under a defined benefit scheme 19 (2020 - 19).

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

9 TANGIBLE ASSETS

Group and School	Freehold property £ 000's	Long Leasehold property £ 000's	Equipment & vehicles £ 000's	Total £ 000's
Cost at 1 September 2020	20,593	270	818	21,681
Additions	679	-	452	1,131
Disposals	-	-	-	-
Cost at 31 August 2021	21,272	270	1,270	22,812
Depreciation at 1 September 2020	2,177	68	626	2,871
Disposals	-	-	-	-
Charge for year	334	-	33	367
Depreciation at 31 August 2021	2,511	68	659	3,238
Net book value at 31 August 2021	18,761	202	611	19,574
Net book value at 31 August 2020	18,416	202	192	18,810

10 INVESTMENTS

GROUP INVESTMENTS	Unrestricted £ 000's	Designated £ 000's	Endowed £ 000's	Total £ 000's
Valuation at 1 September 2020	6,599	1,399	1,135	9,133
Additions	-	313	253	566
Disposals at opening market value	-	(312)	(252)	(564)
Revaluations	-	114	92	206
Group valuation at 31 August 2021	6,599	1,514	1,228	9,341

Group Investments comprise:

	At 31/08/2021 MV £ 000's	At 31/08/2020 MV £ 000's
Cash	50	247
Non-UK investments assets	2,140	2,165
UK investment assets	552	122
Investment properties	6,599	6,599
	9,341	9,133

School Investments comprise:

	At 31/08/2021 MV £ 000's	Cost £ 000's	At 31/08/2020 MV £ 000's	Cost £ 000's
Cash	50	50	247	154
Non-UK investments assets	2,140	1,932	2,165	2,114
UK investment assets	552	503	122	331
Investment properties	6,599	6,599	6,599	6,599
	9,341	9,084	9,133	9,198

The investment properties were valued in August 2019 by Bidwells LLP Chartered Surveyors (regulated by RICS).

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

10 INVESTMENTS (continued)

Other Investments

Three Ordinary £1 shares in John Insomuch Schoolmaster Printer (1479) Limited are held by the directors of the company on behalf of St Albans School. The company is a wholly owned dormant subsidiary. The net assets are insignificant.

Six ordinary £1 shares in Abbey Gateway Enterprises are held by St Albans School. The company is a wholly owned subsidiary. The results have been consolidated with the School accounts (see note 22).

11 DEBTORS

	Group 2021 £ 000's	Group 2020 £ 000's	School 2021 £ 000's	School 2020 £ 000's
Due within one year				
Fees	143	141	143	141
Income tax recoverable	19	20	19	20
Sundry debtors	29	26	24	25
Prepayments	485	445	471	442
	<u>676</u>	<u>632</u>	<u>657</u>	<u>628</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £ 000's	Group 2020 £ 000's	School 2021 £ 000's	School 2020 £ 000's
Bank loans and overdrafts	2,129	690	2,129	690
Fees and deposits received in advance	1,407	1,445	1,407	1,445
Trade creditors	830	497	690	468
Other taxation and social security	-	205	-	202
Other creditors	88	215	88	215
Advance fee scheme deferred income	1,187	840	1,187	840
Accruals and deferred income	382	376	375	364
	<u>6,023</u>	<u>4,268</u>	<u>5,876</u>	<u>4,224</u>

Pupil Fees Deposits – the total amount held in relation to fee deposits of £728,500 is included above. In the normal course of business the expected repayment of these amounts will be £244,200 (2020: £267,200) within one year and £484,300 (2020: £468,600) after more than one year. The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the School, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August 2021 have been included within current liabilities.

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £ 000's	Group 2020 £ 000's	School 2021 £ 000's	School 2020 £ 000's
Bank loans	614	2,766	614	2,766
Pension provision - Pensions Trust	99	134	99	134
	<u>713</u>	<u>2,900</u>	<u>713</u>	<u>2,900</u>

Barclays Bank Plc has a first legal charge over the freehold property 2 Romeland Hill, St Albans. The mortgage is repayable by instalments over 20 years from December 2003 with a variable interest rate of 1.35% over Barclays base rate.

Clydesdale Bank has a first legal charge over the freehold property 31 Fishpool Street. The loan is repayable by instalments over 10 years from September 2011 with a fixed interest rate of 4.35%.

Clydesdale Bank has a first legal charge over the freehold property 25 Fishpool Street, St Albans. The mortgage is repayable by instalments over 10 years from June 2013 with an interest rate of 2% over LIBOR.

Clydesdale Bank has a first legal charge over two trust titles at Cheapside Farm and a second legal charge over a further two titles. The loan is repayable by instalments over 10 years from March 2014 with a fixed interest rate of 5.46%.

A further Clydesdale Bank loan is repayable by instalments over 5 years from June 2019 with an interest rate of 3.51% fixed until June 2022.

14 MATURITY OF DEBT ANALYSIS

	2021 £ 000's	2020 £ 000's
Amount falling due:		
In one year or less or on demand	2,129	690
In more than one year but not more than two years	381	2,153
In more than two years but not more than five years	234	613
In more than five years	-	-
Secured	<u>2,744</u>	<u>3,456</u>

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

15 LEASES

The future minimum lease payments under non-cancellable operating leases are :

	Land and buildings		Other	
	2021	2020	2021	2020
	£ 000's	£ 000's	£ 000's	£ 000's
Less than 1 year	-	-	139	175
Between 1 and 5 years	-	-	184	290
Greater than 5 years	-	-	-	-

During the year, operating lease payments of £175,044 were expensed through the Statement of Financial Activities.

16 CAPITAL COMMITMENTS

At the year end the School had no capital commitments (2020-£nil).

17 ALLOCATION OF THE CHARITY NET ASSETS

	Tangible		Net	Long term	2021
	assets	Investments	current assets	liabilities	Total
	£ 000's	£ 000's	/(liabilities)	£ 000's	net assets
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Permanent endowed funds	14	-	53	-	67
Expendable endowed funds	-	1,229	(81)	-	1,148
Restricted funds	-	-	1,144	-	1,144
Unrestricted funds:					
Designated	-	1,516	2,182	-	3,698
School reserves	19,560	6,596	(3,991)	(614)	21,551
Pension reserve	-	-	(29)	(99)	(128)
	19,574	9,341	(722)	(713)	27,480

	Tangible		Net	Long term	2020
	assets	Investments	current assets	liabilities	Total
	£ 000's	£ 000's	/(liabilities)	£ 000's	net assets
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Permanent endowed funds	15	-	52	-	67
Expendable endowed funds	-	1,136	(94)	-	1,042
Restricted funds	-	-	989	-	989
Unrestricted funds:					
Designated	-	1,401	2,543	-	3,944
School reserves	18,795	6,596	(3,419)	(2,766)	19,207
Pension reserve	-	-	(29)	(134)	(163)
	18,810	9,133	43	(2,900)	25,085

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

18 SUMMARY OF MOVEMENTS ON MAJOR FUNDS

	Balance b/fwd 2020 £ 000's	Income £ 000's	Funds spent £ 000's	Transfers £ 000's	Net income/ (expenditure) £ 000's	Gains/ (Losses) £ 000's	Balance c/fwd 2021 £ 000's
SCHOOL							
School Reserve	19,206	17,585	(16,058)	818	2,345	-	21,551
Pension Reserve	(163)	-	35	-	35	-	(128)
	<u>19,043</u>	<u>17,585</u>	<u>(16,023)</u>	<u>818</u>	<u>2,380</u>	<u>-</u>	<u>21,423</u>
DESIGNATED FUNDS							
Bursary Fund	2,989	32	(17)	184	199	131	3,319
School Tours Fund	15	-	-	-	-	-	15
School Foundation Fund	501	644	(15)	(766)	(137)	-	364
Stephen Hawking Memorial Fund	439	50	-	(489)	(439)	-	-
	<u>3,944</u>	<u>726</u>	<u>(32)</u>	<u>(1,071)</u>	<u>(377)</u>	<u>131</u>	<u>3,698</u>
UNRESTRICTED FUNDS	<u>22,987</u>	<u>18,311</u>	<u>(16,055)</u>	<u>(253)</u>	<u>2,003</u>	<u>131</u>	<u>25,121</u>
RESTRICTED FUNDS							
Scholarship & Bursary Trust	22	24	(46)	-	(22)	-	(0)
John Clough Bursary Trust	1	1	(2)	-	(1)	-	-
Foundation Maths Fund	131	-	(22)	-	(22)	-	109
Foundation Bursary Fund	738	52	(5)	250	297	-	1,035
Covid-19 Hardship Fund	97	6	(106)	3	(97)	-	-
	<u>989</u>	<u>83</u>	<u>(181)</u>	<u>253</u>	<u>155</u>	<u>-</u>	<u>1,144</u>
ENDOWED FUNDS							
Permanent endowed funds							
John Clough Bursary Trust	54	-	-	-	-	-	54
St Albans School Trust	13	-	-	-	-	-	13
	<u>67</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67</u>
Expendable endowed funds							
Scholarship and Bursary Trust & others*	1,042	-	-	-	-	106	1,148
	<u>1,109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106</u>	<u>1,215</u>
TOTAL RESERVES	<u>25,085</u>	<u>18,394</u>	<u>(16,236)</u>	<u>-</u>	<u>2,158</u>	<u>237</u>	<u>27,480</u>

* Others comprise: The George Wishart Prize Fund (£500) and the James Baum Prize Fund (£100).

Transfers are made from the School to the Bursary Funds termly based on pupil numbers so as to fund designated expenditure, which amounted to £1,006,190. Bursaries and Scholarships of £821,889 were funded from the Bursary Fund.

Transfers from the Foundation Fund to the School Fund are £762,992 for fixed assets and from the Foundation Fund to the Covid 19 Hardship Fund (£2,722)

£250,000 was transferred from the Stephen Hawking Memorial Fund to the Foundation Bursary Fund and £239,258 for fixed assets.

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

18 (Continued)

SUMMARY OF MOVEMENTS ON MAJOR FUNDS - 2020 COMPARATIVE

	Balance b/fwd 2019 £ 000's	Income £ 000's	Funds spent £ 000's	Transfers £ 000's	Net income/ (expenditure) £ 000's	Gains/ (Losses) £ 000's	Balance c/fwd 2020 £ 000's
SCHOOL							
School reserve	11,852	16,983	(15,864)	6,235	7,354	-	19,206
Pension reserve	(194)		31	-	31	-	(163)
	<u>11,658</u>	<u>16,983</u>	<u>(15,833)</u>	<u>6,235</u>	<u>7,385</u>	<u>-</u>	<u>19,043</u>
DESIGNATED FUNDS							
Bursary fund	2,809	29	(16)	188	201	(21)	2,989
School tours fund	83	49	(117)	-	(68)	-	15
School foundation fund	585	44	(128)	-	(84)	-	501
Stephen Hawking Memorial Fund	500	-	(61)	-	(61)	-	439
	<u>3,977</u>	<u>122</u>	<u>(322)</u>	<u>188</u>	<u>(12)</u>	<u>(21)</u>	<u>3,944</u>
UNRESTRICTED FUNDS	<u>15,635</u>	<u>17,105</u>	<u>(16,155)</u>	<u>6,423</u>	<u>7,373</u>	<u>(21)</u>	<u>22,987</u>
RESTRICTED FUNDS							
Scholarship & Bursary Trust	-	22	-	-	22	-	22
John Clough Bursary Trust	-	1	-	-	1	-	1
Foundation Maths Fund	5,964	630	(40)	(6,423)	(5,833)	-	131
Foundation Bursary Fund	704	37	(3)	-	33	-	738
Covid-19 Hardship Fund	-	143	(46)	-	97	-	97
	<u>6,668</u>	<u>833</u>	<u>(89)</u>	<u>(6,423)</u>	<u>(5,679)</u>	<u>-</u>	<u>989</u>
ENDOWED FUNDS							
Permanent endowed funds							
John Clough Bursary Trust	54	-	-	-	-	-	55
St Albans School Trust	14	-	(1)	-	(1)	-	13
	<u>68</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>67</u>
Expendable endowed funds							
Scholarship and Bursary Trust & others*	1,069	-	(12)	-	(12)	(15)	1,042
	<u>1,137</u>	<u>-</u>	<u>(13)</u>	<u>-</u>	<u>(13)</u>	<u>(15)</u>	<u>1,109</u>
TOTAL RESERVES	<u>23,440</u>	<u>17,938</u>	<u>(16,257)</u>	<u>-</u>	<u>1,681</u>	<u>(36)</u>	<u>25,085</u>

* Others comprise: The George Wishart Prize Fund (£500) and the James Baum Prize Fund (£100).

Transfers are made from the School to the Bursary Funds termly based on pupil numbers so as to fund designated expenditure, which amounted to £948,668. Bursaries and Scholarships of £786,215 were funded from the Bursary Fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19 PURPOSE OF FUNDS

(a) Designated:

- (i) The Bursary Fund exists to fund bursaries for pupils of the School. The balance available is reviewed annually.
- (ii) School Tours fund exists to account for monies received and expended on school tours and sports tours.
- (iii) School Foundation fund exists to account for and hold unrestricted donations received by the St Albans School Foundation either through regular giving, specific donations or legacy donations (except for donations to bursaries (see below). The details of the expenditure of the donations are published annually in the Foundation Annual Report.
- (iv) The Professor Hawking Memorial Fund is a designated fund which aims to raise funds to finance a range of St Albans School initiatives to further the legacy of Professor Hawking.

(b) Restricted:

- (i) The Foundation Bursary Fund receives donations made to the Foundation where donors request monies to be applied towards bursaries.
- (ii) The Foundation Maths Fund is a restricted fund for the purpose of developing a new maths centre at the school. It is funded to date by specific donations.
- (ii) The Covid-19 Hardship Fund is a restricted fund established with the purpose of assisting with a bursary, those affected financially by the current Coronavirus pandemic and unable to pay fees. Donations have been received to date from current and former pupils, parents, staff and Governors.

(c) Endowed as to capital and Restricted as to income arising from that capital:

Expendable endowment:

- (i) The Scholarship & Bursary Trust exists to fund scholarships of up to half of a full fee, which are awarded following competitive examination to pupils entering the School at age 11, 13 and 16. Scholarships are awarded in art and music in addition to academic excellence.

Permanent endowment:

- (ii) The John Clough Bursary Trust, established in memory of a former Head of Music at the School, exists to help defray the cost of additional music tuition. Bursaries are awarded for two years, following competitive performance on the recommendation of distinguished independent adjudicators.
- (iii) The St Albans School Trust was founded with the object of providing and conducting, in or near St Albans, in the County of Hertfordshire, a day school for boys and also for girls in the Sixth Form. On 31 August 2003 the unrestricted and restricted activities of the trust were transferred to the company, St Albans School. The Trust holds the permanently endowed property of the School.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

20 PENSION SCHEMES

Teaching staff

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,132,912 (2020: £1,132,960) and at the year-end £nil (2020 - £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

PENSION SCHEMES (continued)

Non-teaching staff

Non-teaching staff are offered membership of defined contribution schemes offered by The Pension Trust. The employer's contributions are charged in the Statement of financial Activities in the period in which the salaries to which they relate are due. During the accounting period, The School paid contributions to non-teaching staff pensions totalling £164,093

Some staff continue to hold funds in Growth Plan Series I to III, although no contributions were made after 30th September 2013. This is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the School has agreed to a deficit funding arrangement the School recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	31 Aug 2021 (£000's)	31 Aug 2020 (£000's)	31 Aug 2019 (£000's)
Present value of provision	<u>128</u>	<u>163</u>	<u>194</u>

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 Aug 2021 (£000's)	Period Ending 31 Aug 2020 (£000's)
Provision at start of period	163	194
Unwinding of the discount factor (interest expense)	-	2
Deficit contribution paid	(35)	(34)
Remeasurements - impact of any change in assumptions	-	1
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	<u>128</u>	<u>163</u>

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 Aug 2021 (£000's)	Period Ending 31 Aug 2020 (£000's)
Interest expense	-	2
Remeasurements – impact of any change in assumptions	-	1
Remeasurements – amendments to the contribution schedule	-	-

ASSUMPTIONS

	31 Aug 2021 % per annum	31 Aug 2020 % per annum	31 Aug 2019 % per annum
Rate of discount	0.63	0.55	0.97

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. It is these contributions that have been used to derive the School's balance sheet liability.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

The following schedule details the deficit contributions agreed between the School and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 Aug 2021 (£000's)	31 Aug 2020 (£000's)	31 Aug 2019 (£000's)
Year 1	36	35	34
Year 2	37	36	35
Year 3	39	37	37
Year 4	16	39	38
Year 5		16	39
Year 6		-	16
Year 7		-	-
Year 8		-	-
Year 9		-	-
Year 10		-	-

The School must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the School's balance sheet liability.

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

21 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - COMPARATIVE FIGURES BY FUND-TYPE

	Notes	Unrestricted Funds £ 000's	Restricted Funds £ 000's	Endowed Funds £ 000's	2020 £ 000's
Income and endowments from:					
Charitable activities					
School fees receivable	2	15,170	-	-	15,170
Other educational income	3	1,199	-	-	1,199
Other trading activities					
Non- ancillary trading income	4	232	-	-	232
Other activities	4	144	-	-	144
Investments					
Investment income and interest	5	32	26	-	58
Donations and legacies					
Donations	6	43	807	-	850
Other Income					
Other income		285			285
Total income		17,105	833	-	17,938
Expenditure on:					
Raising funds					
Financing costs		154	-	-	154
Development office		190	-	-	190
Non ancillary trading		1,033	-	-	1,033
Investment management costs		16	-	13	29
Total deductible costs		1,393	-	13	1,406
Charitable activities					
Education		14,762	89	-	14,851
Total expenditure		16,155	89	13	16,257
Net incoming/(outgoing) funds from operations before transfers and investment gains					
		950	744	(13)	1,681
Gains/(losses) on other investments		(21)	-	(15)	(36)
Transfers between funds	20	6,423	(6,423)	-	-
Net income and capital inflow		7,352	(5,679)	(28)	1,645
Fund balances brought forward at 1 September 2019					
		15,635	6,668	1,137	23,440
Fund balances carried forward at 31 August 2020	18	22,987	989	1,109	25,085

ST ALBANS SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021****22 ABBEY GATEWAY ENTERPRISES LTD FINANCIAL STATEMENTS**

	2021 £	2020 £
BALANCE SHEET		
CURRENT ASSETS		
Stock	52,702	61,827
Debtors	17,964	3,407
Cash at bank and in hand	119,627	36,477
	<u>190,293</u>	<u>101,711</u>
CURRENT LIABILITIES	(148,022)	(43,225)
NET CURRENT ASSETS	<u>42,271</u>	<u>58,486</u>
CREDITORS FALLING DUE AFTER ONE YEAR	-	-
TOTAL NET ASSETS	<u>42,271</u>	<u>58,486</u>
CAPITAL AND RESERVES		
Called up share capital	6	6
Capital redemption reserve	1	1
Profit and loss account	42,264	58,479
SHAREHOLDERS FUNDS	<u>42,271</u>	<u>58,486</u>
PROFIT AND LOSS ACCOUNT		
Turnover	945,264	1,056,578
Operating costs	(902,807)	(1,003,355)
GROSS PROFIT	<u>42,457</u>	<u>53,223</u>
Administrative expenses	(35,318)	(29,869)
Gift aid	(23,354)	(22,702)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>(16,215)</u>	<u>652</u>
Tax expense	-	-
RETAINED (LOSS)/PROFIT FOR THE YEAR	<u>(16,215)</u>	<u>652</u>

Abbey Gateway Enterprises Limited (registered company number - 03451049) results are consolidated with the Charity. The company became a fully owned subsidiary of St Albans School on 1 September 2016.

ST ALBANS SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

23 RELATED PARTY TRANSACTIONS

St Albans School charged Abbey Gateway Enterprises Ltd management fees of £6,000 in the year to 31 August 2021 and no amounts were outstanding at the year end. Abbey Gateway Enterprises Ltd received income amounting to £841,402 (2020 - £824,500) from St Albans School which included the licence fee for the use of sports facilities and sales to the School of sports kit. No amounts were outstanding at the year end. The position of the single entity is shown in note 22.

St Albans School Woollam Trust charged Abbey Gateway Enterprises Ltd licence fees, for the use of sports facilities, of £1,006,020 (2020 -£944,500) in the year to 31 August 2021 and £ 140,000 was outstanding at the year end (2020 £ nil). St Albans School Woollam Trust charged St Albans School licence fees, for the use of sports facilities, of £250,000 and St Albans School charged St Albans School Woollam Trust management charges of £5,000. No amounts were outstanding at the year end.