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HAMPTON SCHOOL

(A Charitable Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

Registered Company No: 06264434
Registered Charity No: 1120005



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HAMPTON SCHOOL - CHAIRMAN'S REPORT - FOR THE YEAR ENDED 31 AUGUST 2018

With much pleasure I present this, my second annual report as Chairman of Governors.

When I took over as Chairman the School was in a very fine fettle indeed, having received an excellent ISI inspection report, the completion of construction of a new Prep School as well as other major building works, superb examination results and top quality sporting, musical and artistic achievements of all kinds.

I am pleased to say that the past year has seen no let up at all in any of this momentum and, if anything, the School has achieved even greater heights of attainment and reputation.

This, in turn, has increased demand for places and recruitment is very healthy to the point that there is just not room for many boys who could benefit from a Hampton education. A knock-on effect is that there are extremely able boys who should be enjoying the kind of experience that Hampton can offer but are excluded purely on the grounds of finance.

My predecessor drew attention to the significance of the establishment of the Fitzwygram Foundation. It is now firmly established as a separate charity with the sole object of funding Fitzwygram Scholarships. These are free places available only at Hampton School for boys of exceptional potential whose parents or guardians could not afford any fees at all and will be in addition to the 42 pupils already benefitting from a School-funded 100% bursary or free place. The first two Fitzwygram Scholars joined the School in September 2018. The Governors see the Fitzwygram Foundation as of major strategic importance for the School for the foreseeable future.

At the time of writing our wonderful new Sixth Form Study Centre has been opened and is already in daily use. It will be a marvellous facility for private study and research. The original idea for this came from the boys themselves and all the indications are that they were absolutely right and it will be a place where our Sixth Formers can thrive.

Hampton's academic results in GCSE and A Level/Pre-U public examinations were once again amongst the best achieved anywhere in the country. Our 2018 leavers secured places at universities of their choice to read for an extremely wide range of degrees. There is no sign of this declining and auguries for the future are excellent.

Much has been said about the Hampton ethos. It is a major, distinctive strength of the School and the huge number of co-curricular activities complement and enhance the pupils' academic studies. There is virtually no activity, be it sporting, musical, artistic or otherwise that cannot be found within our walls. This enhances the all-round educational experience of Hamptonians and seeks to ensure that whatever potential a boy has in whatever area is explored to the full. I enjoy a lot of things I am not very good at, but it is good to know that I have at least got as far in them as I am able. Unfortunately, some things I am told I can do quite well I do not enjoy at all! The aim at Hampton is to put all this into perspective so that young minds can develop in tandem with other activities, which all go into the melting pot of deciding where life can take you after School and university, without leaving expectations too low or too high. We have national chess champions, Oxbridge organ scholars, international sportsmen etc. Look at *The Lion*; the list is endless: but we also have wide-ranging opportunities for boys to join in at whatever is their own personal level and thoroughly enjoy it.

We have an exceptional level of provision at Hampton but this can only be achieved through sound financial management; and our finances are in very good health. As ever, we reinvest back into on-going improvements of the school infrastructures which bear fruit immediately in the impact they have on the schools. The Sixth Form Centre is just the latest in a long line of major building works which have enhanced the School experience and we are busy looking for future opportunities. Good planning in times of national recession have meant that we have made the most of our money within our building programme and have facilities to be proud of.

We live in extraordinary times and as I write this still nobody is certain what will happen with Brexit or indeed serious potential levies on the independent school sector that have been threatened and, in some cases, implemented by all and sundry from across the political spectrum. The Governors hold regular strategy days and plan for any eventualities so that we are not caught out and have plans for any form of political change, national recession or indeed boom, fundamental changes in legislation, or any other event that could threaten our determination to provide the best possible education for our pupils. We wish to develop the means to increase access to the School for pupils of academic and all-round ability whose financial circumstances would otherwise preclude them from attending. Our socially inclusive heritage is key to our success.

So far so good but we are not resting on our laurels and with our first-rate Headmaster, leadership team and staff, both academic and support, I am confident the future looks bright.

HAMPTON SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2018

Hampton School Governors

The Governors are the charity trustees and directors of the company and have all served in office throughout the year except where indicated.

	Hampton Pre-Prep & Prep Committee	Development & General Purposes Committee	Finance Committee	Remuneration & Governor Selection Committee	Bursary Fund Committee *
Mr J S Perry BA <i>Chairman of Governors</i>	✓	✓	✓	✓	✓ To 12 Jan 19
Mr S A Bull BSc ACA			Chair	✓	✓ To 12 Jan 19
Mrs M Choueiri BA MBA		✓	✓		✓ To 12 Jan 19
Mrs M-L Ellis Cert Ed	✓	✓			
Mr R Kelly (to 12 Oct 17)				✓ To 12 Oct 17	
Mr L R Llewellyn BSc MBA FCMA FRSA MMUS					✓ To 12 Jan 19 (Chair From 18 Sept 17 to 19 Feb 18)
The Reverend B R Lovell BEng (Hons) BA (Hons) MA Vicar of St Mary's Church, Hampton					
Mrs H A Lowe BA (Hons) LGSM	✓				
Mrs R Mercer BA					
Mr A H Munday LLB QC <i>Vice Chairman</i>	✓	Chair	✓		
Mr A J Roberts CBE BA FRSA FColl	Chair		✓	Chair	
Air-Vice Marshal G Skinner CBE BSc MSc CEng FIMechE FILT FRAeS RAF(Retd) (to 10 Jan 18)					✓ To 10 Jan 18
Mr N J Spooner BA <i>Vice Chairman</i>	✓	✓	✓	✓	✓ (Chair from 29 Mar 17 to 18 Sept 17 and from 19 Feb 18 to 12 Jan 19)
Mr R M Walker MA			✓		
Mr R J K Washington	✓	✓			
Mr L H Welch BArch (Hons) RIBA RIAS		✓			
Miss A V Yandle MA (Oxon)					

* The final meeting of the Bursary Fund Committee was held on 12 January 2019 and all matters under its remit were transferred to other sub-committees.

The Headmaster:

Bursar, Clerk to the Governors and Company Secretary:

Mr K Knibbs MA (Oxon)

Mr M A King BSc

The Board of Governors of Hampton School is a self-appointing body with two exceptions: one is an Ex Officio Governor and shall be the Vicar of Ecclesiastical Parish of St Mary, Hampton and one nominated by the Old Hamptonians' Association, subject to the confirmation of the Governors.

Addresses: Hampton School Hampton Pre-Prep & Prep School Hampton Pre-Prep & Prep School
Hanworth Road 41 - 43 Wensleydale Road Gloucester Road
Hampton Hampton
Middlesex Middlesex
TW12 3HD TW12 2LP
Middlesex
TW12 2UQ

Websites: www.hamptonschool.org.uk
www.hamptonprep.org.uk

HAMPTON SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Bankers:	Barclays Bank PLC Kingston upon Thames Business Centre 6 Clarence Street Kingston upon Thames KT1 1NY		
Solicitors:	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH	Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA	MW Solicitors 34 Bell Street Reigate RH2 7SL
Auditors:	haysmacintyre 10 Queen Street Place London EC4R 1AG		
Insurance Brokers:	Hettle Andrews & Associates Limited Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP		
Investment Advisers:	GAM London Limited 12 St James's Place London SW1A 1NX		
Registered Charity No:	1120005		
Registered Company No:	06264434		
Registered Address	Hampton School Hanworth Road Hampton Middlesex TW12 3HD		

The Governors present their annual report for the year ended 31 August 2018, together with the audited consolidated accounts for the year. The Governors confirm that they comply with the requirements of the School's governing instrument, the Companies Act 2006 including the Directors' and Strategic Reports, the Charities Act 2011 and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)).

1. CONSTITUTION

Hampton School is a charitable company limited by guarantee. It incorporates and runs two schools, Hampton School and Hampton Pre-Prep & Prep School (the Schools). Both Schools have the same Department for Education number, 318/6071. The same Governing Body governs the Schools. The accounts of Hampton School Trust are amalgamated with those of the Company under charity number 1120005, following an order made by the Charity Commission on 17 August 2007.

The Fitzwygram Foundation is a separate charitable company limited by guarantee with its own Board of Trustees. The Fitzwygram Foundation reports its own financial statements as a separate charitable company. Hampton School is the sole Member of the Fitzwygram Foundation and it is a requirement that the financial statements of the Fitzwygram Foundation are also consolidated within the Hampton School financial statements.

2. GOVERNING INSTRUMENT

The Company is governed by its Memorandum of Association dated 14 May 2007 and Articles of Association dated 28 November 2007. Governors are also guided by the Scheme of Management and Delegation, which includes Terms of Reference for the sub-committees:

- The Finance Committee
- The Development and General Purposes Committee
- The Remuneration and Governor Selection Committee
- The Hampton Pre-Prep & Prep Committee
- The Bursary Fund Committee

3. GOVERNANCE

The Governors are required to be members of the Company and are also Trustees and Directors. Governors are responsible for the overall management and control of the Schools and they normally meet at least four times a year. The work of implementing most of their policies is carried out by the members of the Development and General Purposes Committee and the Finance Committee, which meet before each meeting of the full Governing Board. The Hampton Pre-Prep & Prep and Bursary Fund Committees meet at least three times per year and the Remuneration and Governor Selection Committee once per year. The Governors have continued to pay close attention to their safeguarding obligations and those of the School community in general. The Governors monitor the effectiveness of the Schools' safeguarding policies through the receipt, discussion and review of regular reports from the Schools' Designated Safeguarding Lead and Officers and the nominated safeguarding Governors. There are currently three Governors so nominated and they are available, whenever required, to advise and assist the Schools' Designated Safeguarding Lead and Officers in exercising the Schools' duties to safeguard and promote the welfare of children and young people.

The Chairs of the sub-committees are appointed at the first meeting every calendar year and the members are listed at the start of this report.

3.1 Governor Recruitment and Training

The Governing Body requires breadth and depth of experience to carry out its duties effectively and efficiently. Where possible the composition should comprise the following:

- A Governor with a legal background
- A Governor with a financial/accounting background
- A Governor with experience of the education sector
- A Governor with senior managerial or business experience
- A Governor with experience of equal opportunities and disability needs
- At least one female Governor and at least one male Governor

One Governor may meet one or more of these requirements.

The process of appointment is:

- A potential Governor is nominated subject to the criteria laid down by the Remuneration and Governor Selection Committee
- Discussions about the nomination take place with the Chairman of Governors, The Headmaster and Clerk to the Governors
- If a potential Governor is identified as having specific required skills his/her CV is submitted to all Governors for provisional approval
- The potential Governor usually meets the Governors informally prior to a Governors' meeting and visits the Schools and meets senior staff
- Subject to final Governors' approval, the Governor is selected

Following appointment, a comprehensive information pack including past Governors' minutes, accounts, the Charitable Scheme and details of the role of a Trustee is given to the new Governor. The Clerk to the Governors provides regular information on courses that may be helpful or relevant. Governors are encouraged to visit the Schools on a regular basis.

No remuneration is paid to Governors.

3.2 Organisational Management

The Governors determine the strategy of the Schools. The day-to-day management and operation of the Schools is delegated to The Headmaster, supported by senior staff. The Headmaster, Bursar and selected senior staff are invited to attend Governors' meetings.

The Governors' Remuneration & Governor Selection Committee meets annually in the Spring Term to consider the remuneration of Hampton School Trust senior staff (key management personnel), taking into account recommendations put forward by The Headmaster. The Committee recommends remuneration levels, which are ratified by the Governors at their meeting at the end of the Spring Term. Once ratified, senior staff remuneration levels are communicated to them by The Headmaster or Bursar as appropriate. The Headmaster's remuneration is reviewed separately on an annual basis by the Chairman of the Governors, in consultation with the Remuneration and Governor Selection Committee.

4. OBJECTS AND AIMS

4.1 Objects

The object of the Charity is to advance the education of boys and girls and in particular (but not limited to) running a day and/or boarding school or schools in or near Hampton and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

4.2 Aims

The Charity provides education to boys aged 2½ to 18 and girls aged 2½ to 7 in the Schools.

In accordance with the objects, the Schools aim to provide a first-class independent education through strong academic tuition and by developing the wider sporting, artistic, social and leadership skills of their pupils. The intention is to provide an environment in which each pupil can develop and fulfil his or her potential, thus helping to build self-confidence and inculcating a desire to contribute to the wider community. Inextricably linked with this object is the aim of providing public benefit to the local, national and international communities.

4.3 These objects and aims inform the ethos and aims stated in the Hampton School prospectus:

Ethos

- Hampton is a friendly, lively and unpretentious school for boys
- The School is a community where success is based upon achievement rather than the pursuit of narrowly defined targets
- We welcome academically minded pupils from both maintained and independent schools, irrespective of ethnic group and background, and of their religious or non-religious beliefs
- We encourage every boy to develop his full academic potential and to develop skills for life through the wide range of cultural, spiritual and sporting opportunities on offer
- We believe that education is not only about acquiring knowledge and skills but about developing a spirit of intellectual enquiry in a caring, stimulating and enjoyable environment
- We aspire to enable our boys not only to make sense of the world but also to want to go out and improve it
- Above all, our aim is for those leaving Hampton to be open-minded, tolerant and full of conviction, to have a clear sense of right and wrong, and to aim for personal success while supporting those around them

We aim

to attract and educate pupils

- of academic and all-round ambition
- from a wide range of schools

to provide them with

- a challenging and stimulating education
- a friendly and supportive environment

to develop in our pupils

- the desire to achieve their full academic potential
- a participative but critical approach to learning
- a helpful and committed attitude to their School and the community
- respect for self and others
- involvement in co-curricular activities
- skills for life at university and beyond

HAMPTON SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

We attempt to achieve these aims through

- a broad and balanced curriculum
- an established system of pastoral care
- a co-operative and collaborative relationship with the community
- an extensive range of co-curricular activities
- the recruitment and development of excellent teachers and support staff
- the development and maintenance of our site and its facilities

5. ACCESS

It is important to the Governors that access to the education offered by the Schools is not restricted to those that can afford the fees and they are accessible to all, regardless of any disability. They believe that children benefit from being taught within a diverse community since a great deal of learning occurs through social interaction, conversation and shared experiences. This learning promotes an understanding of other people's outlook and is an important training for adult life.

The bursary policy, accessibility plan and teaching links programme contribute to a widening of access to the education the Schools offer and the facilities they enjoy.

5.1 Scholarships and Bursaries

While the Governors view the bursary and scholarship awards as a means of ensuring a good school environment drawing from all faiths, backgrounds and parts of the community, they are nonetheless aware in funding them of the need for fairness between fee paying parents, many of whom make considerable personal sacrifices to pay for their child(ren)'s education, and those benefiting from the awards. They are also responsible for ensuring the on-going financial sustainability of the Schools, which do not have a large endowment, and aware of the need to develop their facilities to remain attractive in a competitive market.

The Governors' policy is to award scholarships on the basis of an individual's educational and co-curricular merit or potential, subject to any conditions imposed for particular awards by the original donor. They also offer bursary scholarships whereby the scholarship is supplemented by a bursary.

Bursary awards, which are available to all who meet the Schools' general entry requirements, are made solely on the basis of parental means or to relieve hardship (for example in the case of redundancy) and where a pupil's education and future prospects would otherwise be at risk. Bursary awards are given up to 100% fees discount. Free Places are also offered with 100% fees discount along with assistance in meeting uniform, public examination and lunch costs and other reasonable costs, including those of some educational trips. When assessing means, many factors are taken into account, including family income, investments, savings and other assets, and other considerations such as the number of siblings and dependent relatives.

Information regarding bursaries is supplied in the Parent's Guide to all those applying to the Schools. Free Places are advertised in the local newspaper and directly to local state primary schools.

This year the total value of scholarship and bursary awards was £2,541,619 (2017: £2,453,140) with 360 awards made as detailed in note 2 to the accounts (2017: 347). Bursaries totalling £1,499,733 (2017: £1,542,281) were awarded. There were 42 pupils on a 100% Bursary or Free Places. The value of scholarships totalled £1,041,886 (2017: £910,859).

The Governors are seeking ways to increase the level of free place funding and have established a separate charity, The Fitzwygram Foundation, to pursue this objective. The Foundation aims to provide 50 new Free Places at Hampton by 2025 to mark 50 years since independence. The first two Fitzwygram Foundation Scholars joined Hampton in September 2018 on totally Free Places.

5.2 Staff discounts

The Schools attract high quality teaching and non-teaching staff by offering fee remission for their children, provided they meet the admissions criteria. Staff discounts amounted to £371,823 (2017: £331,719).

5.3 Teaching Links and community access

The Schools are part of a wider community within which they are keen to participate. The Schools are able and want to support broader educational activities for the benefit of other children and their teachers. Examples of initiatives that bring together current and former pupils, pupils from maintained schools and the wider community are provided in section 7, Public Benefit.

5.4 Volunteers

The Hampton School and Hampton Pre-Prep & Prep School Parents' Associations, the Music Society and the parents of boys in the Boat Club voluntarily give of their time in support of the Schools by organising a variety of events and functions. Funds raised by these groups are used for projects that would not ordinarily be provided for within the Schools budget.

5.5 Fundraising

The Charity's current fundraising focus, through The Fitzwygram Foundation, is on the Hampton School community, which includes alumni, current and former parents and staff.

The Fitzwygram Foundation is registered with the Fundraising Regulator and it has complied with its regulation scheme during the year. Staff are aware of guidance provided by the Institute of Fundraisers. No complaints have been received about the Charity's fundraising activity.

The Charity does not use a third party to raise funds on its behalf.

The Fitzwygram Foundation Trustees meet regularly and consider all aspects of fundraising activity.

STRATEGIC REPORT

6. REVIEW OF ACTIVITIES

6.1 Pupil numbers and Fees

In the year ending 31 August 2018, pupils numbered 1,276 at Hampton School and 230 at Hampton Pre-Prep & Prep School. The Governors consider the achievements of all Schools within the Trust during that period to be excellent.

The termly fees, before the deduction of any means tested bursaries and scholarships, for the year ending 31 August 2018 were:

Hampton Pre-Prep & Prep:	
Kindergarten (whole day)	£3,840
Lower School (Reception to Year 2)	£4,065
Middle and Upper School (Years 3 - 6)	£4,430
Hampton:	
Secondary School (Years 7 – 13)	£6,390

6.2 Hampton School

6.2.1 General

The School's ethos and aims are set out in Paragraph 4.3. The success with which it has adhered to this ethos and achieved these aims is evidenced within the paragraphs below. These relate not only to outstanding academic achievements, but also testify to a belief in a broad education through a wide range of co-curricular activities and a commitment to service in the community.

6.2.2 Academic

A Level and Pre-U Results

A Level and Pre-U results for the past year were once again extremely impressive: 31% of grades awarded were at A* or Pre-U equivalent, with Hamptonians achieving a total of 186 A* grades between them. The percentage of A*-A grades was 69% and over 90% of grades were at A*, A or B for a ninth successive year. 20 boys achieved straight A* grades. Hampton's reputation for providing an exceptional academic and all-round education remains well deserved, with many of the School's outstanding young sportsmen, musicians and performers also attaining a clean sweep of top grades. 90% of boys gained places at Russell Group or equivalent universities and 14 Oxbridge places were confirmed for 2018 leavers. Hamptonians have once again gone on to read for a pleasingly wide range of undergraduate degree courses.

The School's public examination results are significantly above the national figures for both maintained and independent schools and almost all Fifth Year pupils stay on at Hampton for the Sixth Form. Every boy is encouraged during his Hampton career to aim for personal best in academic and all-round terms, whether he is perceived to be a 'high-flier' or not.

GCSE and IGCSE Results

Boys follow the more rigorous IGCSE courses in twelve subjects (Art, Biology, Design & Technology, English Language and Literature, French, Geography, German, History, Mathematics, Music, Physics and Spanish). The School has again achieved an exceptional, record-breaking set of I/GCSE results: 94% of grades overall were 9-7 (A*-A). Hamptonians secured a remarkable 1525 9-8 (A*) grades and 67 boys achieved a clean sweep of 9-8 (A*) grades. Hampton was ranked fifth in *The Times* August 2018 GCSE league table.

Careers

The boys are supported by the Senior Tutor (Careers and UCAS) and his Assistants, and have the use of a well-resourced Careers Library. The Careers Department, based in the Sixth Form Study Centre, provides a wide range of services and activities to give pupils education and guidance in planning their futures. These include:

- talking to each Third Year form about GCSE options
- Fifth Year Morrisby career test and feedback/interview sessions
- Sixth Form use of *Unifrog* software to initiate UK/US/International university/apprenticeship and course choice
- individual support and guidance to Sixth Formers and parents throughout the UCAS application process, as well as Gap Year advice and advice regarding university choice outside the UK
- Alumni Careers Lunches and interviews introduce pupils to a range of careers

Among a number of events organised, there is an annual Careers Convention, attended by representatives from over 40 firms and institutions, a Higher Education Fair and a Gap Year Fair. There is also a Higher Education Evening for Lower Sixth Parents, as well as six separate UCAS Parents' Evenings and Drop-In Clinics to provide support for applications. The School again joined with Surbiton High School for a Fifth Year and Lower Sixth management conference.

Former Pupils

Contact with Hampton alumni is maintained mainly through the Alumni Relations Office and the Old Hamptonians Association. The Alumni Office supports Hamptonians after they have left School and throughout their careers and beyond. It encourages and enables former pupils to keep in touch with each other and with the School. Strong links between the School and its alumni community are a continuing source of mutual benefit and alumni often return to the School as speakers, for example at the annual Careers Evening. A number of alumni have sons who are current pupils at the School. The School regularly receives reports of past pupils, for example when they graduate from their universities or achieve successes in business, cultural, sporting or other spheres.

6.2.3 Clubs, Societies and Co-curricular Activities

The School continues to provide an extensive programme of co-curricular activities both at the School and within the wider community. Not all Clubs and Societies are represented in the reports below. Others which have met regularly during the year include: Art, Beekeeping, Board Games, Book Group, Bridge, CAD/CAM, Chess, Classics, Creative Writing, Debating, Design Technology, DJ Club, Environment Committee, Film-making, French, Geography, German, Hampton Radio, *Hampton Sports Chronicle*, History, Library, *The Lion*, Mandarin, Mathematics, Model United Nations, Musical Theatre Dance Club, Philosophy Circle, Photography, Programming and Science. Please refer also to the Club and Society reports in *The Lion* and on the School website.

Adventure Society

The Adventure Society always offers boys plenty of opportunities for fun and excitement and this year was no exception with boys taking part in a whole range of action packed adrenalin fuelled activities. Highlights for younger boys included a weekend of orienteering and mountain biking at Bentley Copse for First Years, sailing, windsurfing, kayaking, canoeing and powerboating at Rockley Watersports for Second Year boys and a muddy day of paintballing in the Surrey countryside for 46 First and Second boys. The multi-activities trip to Snowdonia tested the stamina and nerve of Second and Third Year boys with some challenging rock-climbing and abseil descents and plenty of long-distance hiking.

Badman Shepherd Travel Awards

Since 1980 annual awards have been made from a fund set up in memory of Mr E R Badman, a former Deputy Headmaster, to help enable boys to travel, in this country or abroad, for educational purposes, in pursuit of some interest or for adventure. This fund was supplemented in 1994 from the legacy of Mr A T Shepherd, an Old Hamptonian and former Chairman of Governors. Three awards were made this year.

Combined Cadet Force (CCF)

The Combined Cadet Force (CCF) RAF Section was flying high following two parachuting courses, 60 air experience flights at RAF Benson and the thrill of free-falling in a 40 foot indoor skydiving wind tunnel. The Hampton CCF Contingent, which includes students from Hampton, Lady Eleanor Holles (LEH) and Hampton High, were also put through their paces in School-based training, observed Remembrance Day and enjoyed a leadership camp at Hampton and Summer Camp in Kent.

Drama

The Drama Department took a group of Fifth Year boys to the Edinburgh Festival this summer to experience the vibrant, buzzing atmosphere of the Edinburgh Fringe in preparation for their AS and A level Drama studies. The group enjoyed a diverse range of theatrical styles, from the quick-witted, improvised *Showstopper!* musical and immersive experience of David Rosenberg's *Flight* to the stunning physical theatre work of *Tobacco Road* and shocking realism in *Chatroom*. There were rave reviews for this year's Sixth Form production, *A View from the Bridge*. Performed by a cast of 18 boys and girls from Hampton and LEH in the intimate setting of the Drama Hall the production was a sophisticated and masterfully nuanced interpretation of Arthur Miller's 20th century classic. The applause was well-deserved for a talented cast who delivered intense and powerful performances under the directorship of Henry Bunney and Jonny Fryer - a theatrical triumph and definitely one of the highlights of the year. The Lower School's production of *The Ramayana* was a colourful and vibrant display of acting, dancing, music, poetry and puppetry and had audiences enthralled. An ancient and epic narrative poem, *The Ramayana*, forms the basis of Hinduism. The collaborative project, involving the Drama, English, Art, Music and RS Departments and a cast of 38 Hampton and LEH pupils was a fantastic piece of storytelling which cleverly brought to life the story of Ram and Sita. One of the highlights of the Drama calendar and lauded as possibly the best Lower School production the Hammond Theatre has seen, *Oliver!* the musical brought together a cast of 51 actors from Hampton and Waldegrave Schools. Accompanied by a band of 24 musicians, the production sold-out across the run, delivering a performance full of energy, verve and fun.

Duke of Edinburgh's Award (DofE)

Over 200 boys took part in the DofE scheme this year armed with rucksacks and compasses ready to face the challenges ahead in Snowdonia, the Lakes, the New Forest and Dorset. Difficult weather conditions awaited four groups of boys who ventured to the Lake District in October on their Gold DofE expeditions as they encountered Hurricane Ophelia. Strong winds and driving rain accompanied the boys as they hiked for eight hours a day but, with grit and determination, they all survived, coping magnificently and completing not only their assessment but their Gold awards in great style! Other Gold expeditions were to Snowdonia at Easter and the Lakes in June and August.

Faith Societies

There are two Christian Forums, the Junior (First to Fourth Years) and Senior (Fifth Year and Sixth Form). Both met weekly for games, quizzes, discussion and refreshments (Juniors), Bible study and prayer (Seniors), and to hear visiting speakers. The Parents' Prayer Partnership, comprising parents and teachers from all Christian denominations, met twice a term to pray for the School and its needs. The Muslim Society met for Friday Prayers throughout the year.

Music

The energy, vibrancy and creativity of Hampton musicians once again impressed and delighted audiences reinforcing the School's reputation for exceptional musicianship. Performances were numerous and varied and showcased the wide-ranging talent of boys across the School. Highlights included the Orchestra's Christmas Concerts, New Boys' Concert, Jazz Café, Carol Service and Summer Concert. Our musicians also supported the local community; the Chamber Choir serenaded visitors at Hampton Court Palace and our male voice choir, *Voices of Lions*, helped raise funds for the Down's Syndrome Association with their performance at the Langdon Down Centre in Teddington.

Energetic, high-octane and fabulous, the 2018 Rock Concert was once again a sell-out success. Over 30 artists and bands performed to a packed audience in The Hammond Theatre with pyrotechnics, lasers and dry ice all adding to the atmosphere. Musicians from all year groups performed an eclectic range of songs including AC/DC's *Highway to Hell* and David Bowie's *Ziggy Stardust*. The concert also showcased First Year, Felix von der Geest's original song, *You're in Love* and Will Priddis' DJ performance to Bruno Dimitroff's piano cover of *Imagine* by John Lennon.

132 boys took Associated Board practical examinations in 2017-18, achieving 37 Distinctions and 51 Merits.

School Trips

School trips are an essential ingredient of life at Hampton and our extensive programme of academic, adventurous, cultural and sporting excursions are designed to enhance learning, support personal development and broaden horizons. This year there were day and residential trips for all year groups each providing unforgettable experiences and memories for our boys. Below are just a very few highlights.

GCSE Geographers headed to the land of ice and fire to see first-hand the amazing geographical landforms that Iceland has to offer. Starting in Reykjavik, the group of 45 boys made their way around the Golden Circle enjoying the spectacular waterfalls, glacier hikes, active volcanoes, explosive geysers and breath-taking scenery. There was also time to warm up in the geothermal baths.

A trip to Washington DC provided 36 Politics and History pupils with an insight into the life of a news correspondent when they met BBC's North American correspondent, Jon Sopel, for a Q&A session and tour of the BBC's Washington Office. A packed itinerary included visits to Congress, the Supreme Court, Trump International Hotel, a guided tour of the National Mall and an MBL match between the Washington Nationals and New York Mets as well as the major Washington landmarks.

In August, 21 Hamptonians enjoyed a fabulous trip to Mexico to hone their language skills and soak up the culture of this fascinating country. This was the first time the Spanish Department had ventured to Mexico and it proved to be a resounding success. The boys enjoyed visits to Frida Kahlo's La Casa Azul (the 'Blue House') and the Pyramid of Moon and Sun. Other highlights, included a visit to the Mayan ruins at Chichen Itzá, a canyon safari boat trip and professional Mexican Lucha Libre wrestling fight.

A selection of other trips includes: Avon Tyrrell, New Forest (Frist Year teambuilding), Barcelona, Madrid, Ronda & Cordoba, Mexico (Spanish), Sorrento & Slapton (Geography), Majorca (Tennis), Lake District, Snowdonia, New Forest, Dorset & Surrey Hills (DofE), Berlin, Florence & Venice (History), Temple Sur Lot, Seville, Bruges, Devon, Yorkshire (Rowing), Austria, France & Italy (Skiing), Sri Lanka (Cricket), Munich & Konstanz (German), Hadrian's Wall (Classics), Lille, Paris (French), Surrey Hills, Dorset & Namibia (Adventure Society), Lanzarote (Scuba Diving), Colchester, USA (Football), Biarritz (Rugby), Edinburgh & Barcelona (Music), Edinburgh (Drama)

Talk!

Hampton boys, Old Hamptonians, staff, parents and members of the local community enjoyed listening to a number of distinguished speakers in this year's Talk' programme. Speakers included:

- Prof Sir Francis Jacobs KCMG QC, formerly Advocate General of the ECJ – *Brexit form the Lawyer's perspective*
- Dr Emily Grossman – *How to build a Human, Stem Cells and Regenerative Medicine*
- Grant Feller - *Don't Ban Fake News – Make it Part of the School Curriculum Instead*
- Theodore Brun – *As Far as the East is from the West, Crossing Eurasia by Bike*
- Michael Lynagh – *An Evening with Michael Lynagh*
- James Warner (OH 2004) – *Engineering Supercars at McLaren*

6.2.4 Sport

Boys have a free choice of sport throughout the School year, selecting from a wide range of options that includes most major team sports and specialist activities like fencing, sailing, table tennis and rock-climbing. While the School celebrates the achievements of its outstanding athletes, its aim is for each boy to derive enjoyment, wellbeing and satisfaction from achieving personal best and having an active lifestyle.

Hampton cricketers enjoyed another successful season with the U16s winning the T20 King's Cup for the third consecutive year following victories over St Paul's School, King's College School and Dulwich College. Success was also evident lower down the School with the U14s reaching the semi-final of the Middlesex Cup and the U15As reaching the quarter-final of the Surrey Cup. County caps from Surrey CCC, Middlesex CCC and Berkshire CCC were awarded to nine boys.

Hampton footballers had one of their most successful seasons in recent years reaching six cup finals and clearly demonstrating the strength in depth of football at Hampton. The 1st XI won the London Independent Schools Cup (ISFA) in a tensely fought match against Brentwood School and the U15A's won the Surrey Cup in style against a strong Carshalton Boys College team. The U14B's and U15B's both reached the finals of their respective England Schools' Football Association (ESFA) competitions and coach loads of Hamptonians travelled to the Stoke City stadium to lend their support – few things unite a school like a cup-final! The 3rd XI were runners-up in the Trinity Cup (for 2nd XI teams) and the U12B and 2nd XI both reached the ESFA semi-finals for B teams. The senior football squads enjoyed a successful 10 day tour to the USA during the summer holiday, visiting Boston and Orlando and winning five of their seven games with some impressive performances. Eight boys were selected for ISFA representative teams.

The Boat Club had another exceptionally busy year and our Hampton oarsmen were rewarded with some great results. The future certainly looks bright following an impressive performance from our J14 rowers who launched their careers in style at the Scullery Head at Dorney Lake, winning two gold, one silver and one bronze medal. 11 crews competed at the Schools' Head of the River Race on the Tideway with the J16 2nd XIII and J15 2nd XIII finishing second in their categories and the 1st XIII finishing fifth in the Championship Eights. At the National Schools' Regatta, 108 Hampton oarsmen took part winning 32 medals between them. The top spot went to the J16 2nd XIII who won gold and the coveted Eton Vikings Trophy. The 2nd XIII won silver and the Championship Coxed Fours secured bronze. Our Junior rowers once again demonstrated their potential with a bronze medal for the J15 2nd VIII. At the Henley Royal Regatta a tough draw for the 1st VIII in the Princess Elizabeth Challenge Cup saw them bow out to Eton College, the eventual finalists.

Hampton takes great pride in its Rugby and last season was no exception with highlights including success in the Middlesex Cup, RFU Schools' Cup and Rosslyn Park HSBC National Schools Sevens.

- The 1st XV reached the last 16 of the RFU Schools Cup and continued to play on one of the toughest circuits in schoolboy rugby
- The U16As won the Middlesex U16 Cup for the fourth consecutive year
- The U15s won the Middlesex Cup and reached the semi-final of the RFU Schools Cup at Allianz Park
- The U14s reached the semi-final of the Middlesex Cup
- The U13s won the Shield at the Middlesex U13 Festival
- The U12s were runners up in the Middlesex Festival Cup

The Senior Performance Squad and U15s enjoyed a four day pre-season training camp in Biarritz preparing for the new season and the U13s and U12s also had a taste of life on tour playing a series of matches in Holland during the Easter break.

The 1st VII led the way once again in the Sevens season, winning the Hampton Founder's Day 7s Plate, the Rosslyn Park National Schools 7s Plate and reaching the last 16 of the Surrey Open 7s. The U16s reached the last 16 of the RPNS 7s and the U14s finished in the final 12. Lower down the School, the U15s were runners up at the John Fisher 7s and the Ibstock 7s, the U14s won the Orleans Park 7s and the U12's won the St John's 7s.

Individual honours included two international caps, ten academy representations for the Irish Exiles and Welsh Exiles, twenty seven boys involved in the London Irish Development squad and four boys involved in the Harlequins Elite Player Development Group.

6.2.5 Developments and Maintenance

Expenditure on the Hammond Quad Sixth Form Centre reached £5,406,000 and £615,000 was spent on the new teaching block during the year.

Other building work at Hampton included refurbishment of part of the Alexander building (£160,000), a science lab refurbishment (£44,000) and various other building improvements (£225,000).

There was also substantial expenditure, £683,000, in the year on information technology.

Significant maintenance work was undertaken during the year and all buildings continue to function fully as intended.

6.3 Hampton Pre-Prep & Prep School

Hampton Pre-Prep & Prep School works hard to ensure every child's social and emotional growth is closely aligned to their academic progress. The School values thinking of others first, as well as not giving up. The School's academic programme is broad and balanced. Results do matter here, as they should, but meaningful progress matters too; the pleasure of knowing you have tried your best and have been recognised for that is a feeling that ought to inspire and endure long after the days at prep school are over. The School believes this is a critically important function of its role in terms of preparing all its pupils for successful transfer to the senior school that will be the best fit for them.

The School continued to consider a range of ways in which it might develop further both the pupils' academic and personal progress and put a range of measures in place to ensure this is happening.

Involvement by all pupils in the extensive co-curricular programme of the School is a fundamental aspect of their time here. Regardless of ability in sport or the arts, children are enthusiastically encouraged to participate to the best of their ability. The extensive games programme provides many opportunities to represent the School and performing arts productions are ambitious and imaginative. The residential trips undertaken by Years 3 to 6 not only provide a wide array of activities for them to try, but also valuable lessons in how to grow and develop into a compassionate citizen and to retain a natural and unpretentious curiosity for the world around them. The School aims for its pupils to become lifelong learners.

Successful personal relationships sit at the heart of any successful community. The School wants its pupils to be confident and kind, happy, considerate and well-mannered. One of the ways in which the School has sought to enact this is through the launch, at the start of the last academic year, of its bespoke leadership skills development programme known as the L.I.O.N. Award. 'Leadership, Independence and Opportunities to Nurture' sit at the heart of the Award programme, which is targeted towards pupils in Years 3 – 5. It is a source of great joy to see these skills, in every child, flourish as they work to develop not only themselves but also to support others. The success of the programme has surpassed our expectations.

6.4 Employee Involvement

Effective communication with employees is of vital importance and the School has established methods to provide information to and consult with employees on financial and other matters that affect them.

6.5 Disabled Employees

It is the practice of the School to facilitate the employment of disabled persons and to provide, whenever possible, opportunities for training, career development and promotion. Where employees become disabled whilst in service, every effort is made to rehabilitate them to their former jobs or some other suitable alternative and provide appropriate training and specialist advice.

7. PUBLIC BENEFIT

Hampton School has always taken and will continue to take its responsibilities as a charitable trust very seriously. The School will continue to contribute a great deal to the community. It will, with reference to the Charities Act 2006:

- Maintain and enhance its impressive list of public benefit activities;
- Seek to raise new funds devoted to means-tested entry bursaries
- Provide more means-tested Free Places.

The staff and pupils of the School continue to commit a great deal of time and effort to providing a wide range of public benefit locally, nationally and internationally. A detailed list of Hampton School's Public Benefit work may be found on the School's website, some examples of their activities are shown below. It is a great tribute to the ethos of the School that our pupils are so willing to support so many activities.

Hampton School has registered on the ISC Schools Together website and has uploaded examples of projects, including mathematics support for Reach Academy students and lunchtime sport and co-curricular support for locally based Clarendon School.

The Hampton Independent-State Schools Partnership (ISSP) is a link between two independent schools (Hampton School and LEH) and five maintained schools from the Boroughs of Richmond upon Thames and Kingston upon Thames (Orleans Park School, Hampton High, Tolworth Girls' School, Teddington School and Hollyfield School).

The Hampton ISSP exists for the benefit of pupils at each of the seven schools. Over time, we have together built up a lively and varied programme of educational and co-curricular opportunities, alongside the provision of academic support throughout the year. This has enabled pupils and teachers across the Partnership to work collaboratively and to draw upon the particular strengths of each school. All schools within the Hampton ISSP are invited to host events across the year, during which pupils join together for activities including the following: Mathematics, IT, Science, Design & Technology, Public Speaking, Dance, Music, and a Model United Nations Conference.

For many years, the Hampton ISSP schools have supported each other with GCSE revision sessions run at weekends across a range of subjects, resulting in an improvement in the final grades awarded. Pupils from the state-funded member schools have been able to enjoy educational opportunities which would not otherwise have been available to them, such as courses in A Level Further Mathematics. We have also been delighted to see 43 Year 8 pupils from our state-funded partners enrol recently in the second iteration of a three-year Latin course run by two members of Hampton School's Classics Department.

The Hampton ISSP has also led to the sharing of many of Hampton School's facilities by schools within the Partnership: Hampton School's sports facilities are used regularly by one of the schools within the Partnership and joint theatre productions take place on a regular basis in Hampton's Hammond Theatre.

The School is committed to the environment and strives to reduce its carbon footprint by decreasing CO₂ emissions at source, where possible. Protecting the environment is at the heart of the School building projects and infrastructure improvements and is included within the curriculum across a wide range of subjects. Recycling of paper, cardboard, glass, oil, spectacles, batteries, print cartridges, plastic bottles and food waste continues.

As a charity the parents of our pupils have the assurance that all the income of the School must be applied for educational purposes. As an educational charity we enjoy tax exemption on our educational activities and on our investment income and gains provided these are applied for our charitable aims. We are entitled to an 80% reduction on our business rates on the property we occupy for our charitable purposes. The financial benefits we receive from this tax exemption are all applied for educational purposes and indirectly help us to maintain our bursary policy and our partnerships programme with maintained schools. However, as an educational charity, we are unable to reclaim VAT

input tax on our costs as we are exempt for VAT purposes. We also pay tax as an employer through the national insurance contributions we make.

In addition to the very substantial benefits our School brings to our pupils, the local community and society through the education we provide, our bursary and partnerships programmes create a social asset without cost to the Exchequer. In the past year the Hampton School Trust has educated 1,506 pupils, relieving the UK public expenditure by around £10 million.

The Governors have had regard to the general guidance from the Charity Commission on public benefit when determining the School's objectives.

7.1 Hampton School Public Benefit Activities:

Primary and Prep Schools' 5-a-side Football Tournament

Over 220 Year 5 and 6 pupils from 14 local primary and prep schools enjoyed a morning of football at the 17th annual Hampton Primary and Prep Schools' 5-a-side Football Tournament in September. Refereed by our Sixth Form boys the matches were competitive but fun with great sportsmanship displayed by all involved.

ISSP

A range of activities have been held with our partner schools in the Hampton ISSP this year, with highlights including:

Junior School Music Workshop

In May, Hampton hosted its 20th annual Junior Schools Music Workshop involving over 100 pupils from local junior schools. Members of the Hampton Music Department, assisted by Hampton boys, led a day of music-making courses in singing, woodwind, strings, guitar and brass and the day culminated with a truly impressive evening concert for family and friends

Science Day

43 gifted and talented pupils from across the Partnership spent a day at the School conducting experiments, learning about floating and sinking in Physics, enzymes in Biology, and exothermic and endothermic changes in chemical reactions in Chemistry.

Revision Sessions

112 pupils from the state-maintained schools within the Partnership attended A*/A GCSE revision sessions in English, Maths, Physics, Chemistry and Biology. 40 pupils from partnerships schools and St Richard Reynolds Catholic College, Twickenham attended a Latin course.

Saturday School

This year's 12-week Saturday School programme involved 35 pupils from local primary schools who thoroughly enjoyed enrichment lessons in Maths, English, DT, Science and Computer Programming to name just a few. Favourite activities included solving the *Murder Mystery at Hogwarts* in Chemistry and model car making and racing in DT.

Maths Wizard Competition

Over 70 children from local primary schools battled it out for the title of Hampton School Maths Wizard Champions in our inaugural Wizard competition.

Teams of Year 5 pupils put their heads together to tackle a range of maths challenges in a bid to win the coveted Maths Wizard Trophy. The pupils had a huge amount of fun discovering how rewarding and exciting learning Maths can be.

HAMPTON SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

Genocide Awareness

More than one hundred pupils from schools across London came together for a Genocide Awareness Day at Hampton in October. The pupils were joined by survivors of the Holocaust and genocides in Bosnia and Rwanda. After hearing the testimonies of the survivors, pupils reflected on what they had learned through a range of workshops. The event was hosted by Hampton School's pupil-led *Genocide80Twenty* campaign group, which works tirelessly to raise awareness of the Holocaust and other genocides.

Holocaust Memorial Event

Children from seven local senior schools took part in Hampton's second Holocaust Memorial event, remembering the six million Jews murdered in the Holocaust and those killed in subsequent genocides. The event focused on Bea Green, now in her nineties, who spoke to more than 300 pupils about her escape from Nazi Germany to Britain in 1939, on the Kindertransport.

Namibia

The Hampton and LEH expedition to Namibia proved to be both the highlight of the year and a rewarding experience for 30 Hampton boys and LEH girls. The group spent time at the Ehombe School near the Angolan border teaching a variety of lessons and worked with the Africat Lion charity building kraals to protect local villagers' cattle from lion attacks. Football and netball matches were played against two local schools and the group also found time for some sandboarding and whitewater rafting. Sixteen suitcases of sports gear, numerous calculators and pencil cases, kindly donated by parents and a full football strip donated by Fulham Football Club were distributed to local schools and the Swakopmund Street kids charity.

Form Charity

Form Charity raised over £13,000 this year through a host of projects and activities including a cake sale, character day, fancy dress fun run, mufti days, charity netball and lacrosse matches against LEH, a staff vs Sixth Form University Challenge Quiz and, inspired by the World Cup, a 'team colours' day. The money raised was donated to last year's nominated charities - SPEAR, Anthony Nolan and StreetInvest. Boys also participated in the Anthony Nolan's national awareness campaign raising a further £500 selling charity wristbands. Funds were also raised for the Good Gifts appeal at Christmas and the Hampton safe haven in Malawi.

7.2 Hampton Pre-Prep & Prep School Public Benefit Activities

Charitable Donations

During the 2017 – 18 academic year the School contributed £6,881 to the following charities:

- St Mary's Church for hosting Harvest Festival
- Directly to Planting Promise from the Harvest Festival
- Poppy Appeal
- Carol Service for Blood Fund – Imperial Health Charity
- Christmas Jumper Day for Amnesty International
- Staff & pupils' cake sales for:
 - Planting Promise
 - Water Aid
 - Senhasa Trust
 - Spear
 - Woking and Sam Beare Hospices
 - RNLI
 - Lymphoma Action
 - Cancer Research
- Mini-marathon for:

- Planting Promise
- Senhasa Trust
- Sports Relief

Supporting the Local Community

During the year the School engaged with the community in the following ways:

- The Pre-Prep & Prep Headmaster is Deputy Chairman of the Governing Body at Richard Cobden Primary School, in Camden Town in Central London, where he also chairs the Curriculum and Standards Sub-Committee. Time is allocated to his remunerated role in order for him to attend to his duties volunteering as a Governor at the school.
- The Prep hosted a London Borough of Richmond upon Thames Local Safeguarding Children Board (LSCB) meeting and workshop for key safeguarding personnel from schools across the Borough
- The Pre-Prep hosted meetings for The Friends of Carlisle Park, a local wildlife and community action group whose volunteers aim to care for and support the community park adjacent to the school

8. PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Governors is responsible for overseeing the risks faced by the Schools. Detailed considerations of risk are delegated to the Senior Management of the Schools apart from those relating to the Board and its membership. Risks are identified and assessed and controls are established throughout the year. A formal written review of the Charity's risk management processes is undertaken on an annual basis.

This review covers the major risks and uncertainties common to all independent schools (for example, maintenance of high quality teaching staff; achievement of planned pupil numbers; effective and controlled funding for development; safeguarding; development of increasing public benefit) but also includes any more immediate, specific and shorter term uncertainties

Through such reviews and the overall risk management processes established for the Schools, the Governors are satisfied that the principal risks identified have been adequately mitigated where possible. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The principal risks currently identified on the School's risk register are:

<u>Risk</u>	<u>Mitigation</u>
Effectiveness of the safeguarding policy and procedures including the "Prevent" duty	Appointment of Designated Safeguarding Lead & Officers, nominating Governors with lead safeguarding responsibility and routine reporting at Board meetings
Recruitment and retention of staff	Competitive salary and benefits including consideration to provide accommodation and the funding of pension obligations
Compliance with a possible Public Benefit test	Extensive discussion, preparation and planning. Monitoring and recording of the Public Benefits provided
Data Protection and GDPR	Review of the data we hold and processes. Robust policies, regular system backup and encryption of laptops
External changes that may affect the financial position of the Schools	Monitor changes and possible challenges and plan, where possible, for such eventualities.

9. FINANCIAL OVERVIEW

9.1 Financial Results

The financial statements show net income from unrestricted funds for the year of £1,815,038 (2017: £2,468,806).

Net cash inflow from operating activities for the year was £5,421,196 (2017: £3,826,829).

The Governors are continuing their policy of deploying all net income to enhance the Schools' charitable objectives.

9.2 Investment Powers

Investing activities are governed by the Trustee Act 2000.

9.3 Investment Policy

The Trustees use GAM London Limited (GAM) to manage the Trust's investment portfolio. The Trustees continue to instruct GAM to adopt a medium-risk approach to increase the value of the portfolio. The current objective given to GAM is to increase the portfolio value between 7% and 10% per annum over the investment cycle.

9.4 Investment Performance

In the financial year the Investments have performed in accordance with the market, expectations and the relevant indices.

9.5 Fundraising Performance

The School received donations by regular gift aid payments from previous Appeals of £6,022. In addition, £140,486 was raised by the Fitzwygram Foundation.

9.6 Asset Cover for Funds

An analysis of the net assets attributable to the various funds of the Charity is set out in Note 18 to the accounts. These assets are sufficient to meet the Charity's needs.

9.7 Pension Liability

The Governors recognise the liability existing in the Wandsworth Council Pension Fund (previously the London Borough of Richmond upon Thames Pension Fund) for non-teaching staff – see notes 21 and 22. The pension liability has been reported within the accounts in accordance with FRS 102.

9.8 Other Relationships:

9.8.1 Millennium Boathouse

The administration of this facility is divided between Hampton School and LEH. Hampton School has responsibility for the maintenance of the site and LEH for all financial operations. For ease of administration the complete revenue and costs are recorded in the accounts of LEH and audited as part of its accounts. A yearly reconciliation takes place thus ensuring net income and expenditure is evenly shared and recorded in the respective accounts.

9.8.2 PupilCoach Limited

PupilCoach Limited is a joint trading company wholly owned in equal shares by Hampton School and LEH. The company provides a service to parents requiring help in transporting their children to and from school.

The licensed coaches currently carry over 1,100 pupils a day on twenty three different routes. The financial plan is to break even over the course of the financial year with any profits made by the company covenanted to the charities (Hampton School and LEH), or deficits shared, on an equal basis. The Bursars of the two schools act as Directors and nominee shareholders. The books of account are maintained and audited on a separate basis and are not consolidated into these accounts. Hampton School's share of the results is shown in note 23.

9.9 Reserves and Financial Health

The Governors believe that the School is in good financial health and can continue as a going concern, with secure financial management and waiting lists for prospective entrants to the Schools stretching many years ahead. The current economic climate is being closely monitored and contingencies are in place should the economic conditions start to affect parents and cash flow. The Trust maintains an annual operating surplus which, supplemented by fund-raising, finances capital expenditure on improving buildings, equipment and other necessary facilities. This enables the Charity to provide the first class education the parents, pupils and public have come to expect.

The Governors recognise that the level of reserves fluctuates and the School has invested substantial sums in the new School buildings in recent years. Adequate resources, including bank finance and unrestricted investment funds, are available to provide a "safety net" should they be required.

The Governors regularly review the level and nature of the reserve funds of the School. The total value of Group funds at 31 August 2018 was £39,443,954 of which unrestricted funds totalled £32,293,875, endowed funds £5,952,362 and restricted funds £1,197,717. Within the investment portfolio are funds allocated for bursaries and the pension liability fund, which, although designated, are unrestricted funds. As at 31 August 2018 the value of the Bursary fund was £2,049,716 and the pension liability fund was £119,517, these amounts are available as unrestricted reserves for the School should the need arise. The funds are detailed in notes 16, 17 and 18.

Free reserves are in line with Governors' expectations.

- The Governors aim to generate net income each year which will increase the reserves available.
- The Property Reserves will be increased over time to equal the net amount invested in property.
- The Pension Liability Fund will represent, over time, any shortfall in the pension scheme liability.
- It is intended to continue to build and retain other funds as reserves when the Property Reserves are fully funded.
- It is anticipated that the Fitzwygram Foundation (see note 24) will generate funds for the provision of additional bursaries at the Schools.

9.10 Appointment of auditors

In December 2017 the Governors re-appointed haysmacintyre as the School auditors for the financial year 2017 - 2018. The Governors will consider a resolution proposing haysmacintyre as auditors for financial year 2018-2019.

9.11 Statement of Governors' Responsibilities

The Governors (who are the directors of Hampton School for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under that law the Governors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under company law the Governors 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 School and of the profit or loss of the School for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Governors is aware at the time the report is approved:


- there is no relevant audit information of which the School's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

10 PLANS FOR THE FUTURE

Future plans include the following:

- Working with The Fitzwygram Foundation to provide additional free places at Hampton for boys whose families cannot afford school fees
- Continuing to develop communication with former pupils, parents and staff via the Alumni Relations Office
- Enhancement of the School's strong Safeguarding culture, e.g. additional staff training on issues highlighted in *Keeping Children Safe in Education 2018*
- Develop the academic curriculum, e.g. through a focus on oracy and ensuring opportunities for pupils to develop and practise related skills across all subjects
- Further development of our co-curricular provision and pupil participation in our programme, e.g. through initiatives such as 'No Limits Week'
- Several development projects are in progress or under consideration, including the completion of a new Senior School teaching block with additional science laboratories, and enhancements to the Hampton Pre-Prep site
- To build upon our local, national and international partnerships and uphold our ethos of encouraging Hamptonians to engage fully with the wider community

This report, which incorporates the strategic report, is approved by the Board of Governors of Hampton School and signed on its behalf by:



J.S. Perry BA
Chairman of the Governors

Dated: 27 March 2019

Opinion

We have audited the financial statements of Hampton School for the year ended 31 August 2018 which comprise of the Consolidated Statement of Financial Activities, the Consolidated and School Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of 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 of the parent charitable company's affairs as at 31 August 2018 and of the group's and parent charitable company's net movement in funds, including the 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 23, 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 group's and the parent 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 group or the parent 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.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Governors' Report. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the Governors' Report (which includes the strategic report and the directors' report 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 Governors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

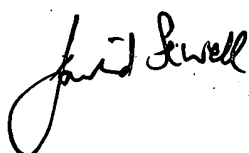
In the light of the knowledge and understanding of the Governors' Report charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates the strategic report and the directors' report).

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 accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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.



David Sewell (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

28 March 2019

HAMPTON SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
INCOME AND ENDOWMENTS FROM:						
Charitable activities:						
School fees receivable	2	24,278,563	-	-	24,278,563	22,932,437
Other educational income	3	1,767,742	-	-	1,767,742	1,724,811
Other trading activities:						
Hire of facilities		87,772	-	-	87,772	88,649
Investments	4	350,809	111	16,486	367,406	792,296
Voluntary sources:						
Gifts and donations	5	112,987	146,543	-	259,530	186,382
Other income		85,154	-	-	85,154	60,362
Total income		<u>26,683,027</u>	<u>146,654</u>	<u>16,486</u>	<u>26,846,167</u>	<u>25,784,937</u>
EXPENDITURE ON:						
Cost of raising funds		47,404	221	27,739	75,364	109,053
Charitable activities						
School operating costs		23,898,817	19,170	-	23,917,987	23,416,530
Total expenditure	6	<u>23,946,221</u>	<u>19,391</u>	<u>27,739</u>	<u>23,993,351</u>	<u>23,525,583</u>
Net income/(expenditure) before transfers and investment gains		2,736,806	127,263	(11,253)	2,852,816	2,259,354
Transfers between funds	16,17 &18	(1,057,255)	987,060	70,195	-	-
Gains on investment assets:						
Realised	10	14,933	207	30,686	45,826	73,326
Unrealised	10	120,554	1,663	320,704	442,921	723,165
Net income		<u>1,815,038</u>	<u>1,116,193</u>	<u>410,332</u>	<u>3,341,563</u>	<u>3,055,845</u>
Actuarial gain on pension scheme	22	902,000	-	-	902,000	86,000
Net movement in funds		<u>2,717,038</u>	<u>1,116,193</u>	<u>410,332</u>	<u>4,243,563</u>	<u>3,141,845</u>
Balances at 1 September 2017		29,576,837	81,524	5,542,030	35,200,391	32,058,546
Balances at 31 August 2018	19	<u><u>32,293,875</u></u>	<u><u>1,197,717</u></u>	<u><u>5,952,362</u></u>	<u><u>39,443,954</u></u>	<u><u>35,200,391</u></u>

TOTAL RECOGNISED GAINS AND LOSSES

The charity has no recognised gains and losses other than those shown in the Statement of Financial Activities.

See note 9 for details of gains and losses on fixed asset investments. The notes form part of these financial statements.

HAMPTON SCHOOL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2017

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £
INCOME AND ENDOWMENTS FROM:				
Charitable activities:				
School fees receivable	22,932,437	-	-	22,932,437
Other educational income	1,724,811	-	-	1,724,811
Other trading activities:				
Hire of facilities	88,649	-	-	88,649
Investments	780,160	138	11,998	792,296
Voluntary sources:				
Gifts and donations	154,237	32,145	-	186,382
Other income	60,362	-	-	60,362
Total income	<u>25,740,656</u>	<u>32,283</u>	<u>11,998</u>	<u>25,784,937</u>
EXPENDITURE ON:				
Cost of raising funds	89,663	220	19,170	109,053
Charitable activities				
School operating costs	23,398,155	18,375	-	23,416,530
Total expenditure	<u>23,487,818</u>	<u>18,595</u>	<u>19,170</u>	<u>23,525,583</u>
Net income/(expenditure) before transfers and investment gains	2,252,838	13,688	(7,172)	2,259,354
Transfers between funds	(77,183)	-	77,183	-
Gains on investment assets:				
Realised	30,060	490	42,776	73,326
Unrealised	263,091	4,297	455,777	723,165
Net income	<u>2,468,806</u>	<u>18,475</u>	<u>568,564</u>	<u>3,055,845</u>
Actuarial gain on pension scheme	86,000	-	-	86,000
Net movement in funds	<u>2,554,806</u>	<u>18,475</u>	<u>568,564</u>	<u>3,141,845</u>
Balances at 1 September 2016	27,022,031	63,049	4,973,466	32,058,546
Balances at 31 August 2017	<u><u>29,576,837</u></u>	<u><u>81,524</u></u>	<u><u>5,542,030</u></u>	<u><u>35,200,391</u></u>

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	2017 £
FIXED ASSETS	9	41,833,905	37,989,375
INVESTMENTS	10	7,437,347	7,770,516
CURRENT ASSETS			
Appeal fund assets	11	1,523	8,441
Debtors	12	1,077,416	1,119,482
Cash at bank and in hand		1,227,990	3,169,743
		<u>2,306,929</u>	<u>4,297,666</u>
CREDITORS: amounts falling due within one year	13	(4,731,910)	(3,913,281)
NET CURRENT (LIABILITIES)/ASSETS		(2,424,981)	384,385
CREDITORS: amounts falling due after one year	14&15	(6,269,317)	(8,715,885)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>40,576,954</u>	<u>37,428,391</u>
PENSION LIABILITY	22	(1,133,000)	(2,228,000)
NET ASSETS INCLUDING PENSION LIABILITY		<u>39,443,954</u>	<u>35,200,391</u>
ENDOWED FUNDS			
Capital	16	4,574,297	4,229,103
Property reserve	16	714,168	714,168
Accumulation	16	663,897	598,759
		<u>5,952,362</u>	<u>5,542,030</u>
RESTRICTED FUNDS	17	1,197,717	81,524
UNRESTRICTED FUNDS			
Property reserve	18	31,257,642	28,909,475
Bursary fund	18	2,049,716	2,865,008
Pension liability fund	18	119,517	30,354
Income account	18	-	-
Pension reserve	18	(1,133,000)	(2,228,000)
		<u>32,293,875</u>	<u>29,576,837</u>
		<u>39,443,954</u>	<u>35,200,391</u>

The financial statements were approved and authorised for issue by the Board of Governors on 27 March 2019 and were signed on its behalf by:

J S Perry BA
Chairman

The notes form part of these financial statements.

Mr S A Bull BSc ACA
Chairman of the Finance Committee

SCHOOL BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	2017 £
FIXED ASSETS	9	41,833,905	37,989,375
INVESTMENTS	10	7,437,347	7,770,516
CURRENT ASSETS			
Appeal fund assets	11	1,523	8,441
Debtors	12	1,045,154	1,115,324
Cash at bank and in hand		93,978	3,148,113
		<u>1,140,655</u>	<u>4,271,878</u>
CREDITORS: amounts falling due within one year	13	<u>(4,731,910)</u>	<u>(3,913,281)</u>
NET CURRENT (LIABILITIES)/ASSETS		(3,591,255)	358,597
CREDITORS: amounts falling due after one year	14&15	(6,269,317)	(8,715,885)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>39,410,680</u>	<u>37,402,603</u>
PENSION LIABILITY	22	<u>(1,133,000)</u>	<u>(2,228,000)</u>
NET ASSETS INCLUDING PENSION LIABILITY		<u>38,277,680</u>	<u>35,174,603</u>
ENDOWED FUNDS			
Capital	16	4,574,297	4,229,103
Property reserve	16	714,168	714,168
Accumulation	16	663,897	598,759
		<u>5,952,362</u>	<u>5,542,030</u>
RESTRICTED FUNDS	17	31,443	55,736
UNRESTRICTED FUNDS			
Property reserve	18	31,257,642	28,909,475
Bursary fund	18	2,049,716	2,865,008
Pension liability fund	18	119,517	30,354
Income account	18		
Pension reserve	18	<u>(1,133,000)</u>	<u>(2,228,000)</u>
		<u>32,293,875</u>	<u>29,576,837</u>
		<u>38,277,680</u>	<u>35,174,603</u>

The financial statements were approved and authorised for issue by the Board of Governors on 27 March 2019 and were signed on its behalf by:

J S Perry BA
Chairman

The notes form part of these financial statements.

Mr S A Bull BSc ACA
Chairman of the Finance Committee

HAMPTON SCHOOL

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	2017 £
Net cash inflow from operating activities	A		
Net cash provided by operating activities		5,421,196	3,826,829
Cash flows from investing activities			
Payments to acquire fixed assets		(5,819,196)	(2,245,599)
Proceeds from sale of fixed assets		-	6,004
Payments to acquire investments		(2,231,865)	(1,248,319)
Proceeds from sale of investments		3,012,356	1,118,731
Interest and investment income received		43,406	24,296
Net cash used in investing activities		(4,995,299)	(2,344,887)
Cash flows from financing activities			
Cash (outflows)/inflows from borrowing		(2,367,650)	1,555,917
Net cash provided by financing activities		(2,367,650)	1,555,917
Change in cash and cash equivalents in the period		(1,941,753)	3,037,859
Cash and cash equivalents at 1 September		3,169,743	131,884
Cash and cash equivalents at 31 August		1,227,990	3,169,743

NOTES TO THE CASH FLOW STATEMENT

A. Reconciliation of net income to net cash flow from operating activities	2018	2017
	£	£
Net income before investment gains	2,852,816	2,259,354
Depreciation	1,974,666	1,931,024
Interest and investment income receivable	(43,406)	(24,296)
Defined benefit pension scheme adjustments	(193,000)	(694,000)
Investment management fees	41,424	32,861
Profit on sale of fixed assets	-	(6,000)
Decrease/(increase) in debtors	42,066	(46,730)
Decrease/(increase) in appeal fund debtors	6,918	(6,356)
Increase in creditors	702,873	39,327
Increase in advanced fees	36,839	341,645
Net cash inflow from operating activities	5,421,196	3,826,829
B. Analysis of cash and cash equivalents	2018	2017
	£	£
Cash at bank	1,227,990	3,169,743
	1,227,990	3,169,743

1. ACCOUNTING POLICIES

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 Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of investments. The accounts are prepared for the School as a single entity. The School has two subsidiaries and one joint venture, see notes 24 and 23 respectively.

Hampton School (the School) is a Public Benefit Entity registered as a charity in England and Wales. Hampton School Foundation Charity became a charitable company, limited by guarantee, on 1 September 2007 (registration number 06264434). The registered office is Hampton School, Hanworth Road, Hampton, Middlesex, TW12 3HD.

Group Financial Statements

These financial statements consolidate the results of the School and its subsidiary The Fitzwygram Foundation (charity number 10056045), together the Group. This is the first year the results of The Fitzwygram Foundation have been consolidated as it was previously not material to the School accounts. The School has one further subsidiary and a joint venture, see notes 25 and 24 respectively.

In accordance with Section 408 of the companies Act, no separate Statement of Financial Activities is presented for Hampton School. The net movement in funds for the School for the year is £3,103,077 (2017: £3,116,057). 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.

Going concern

Having reviewed the Group's future projected cash flows and the funding facilities available to the Group together with the expected ongoing demand for places, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties over the School's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Governors' Responsibilities on page 23.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, 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.

Judgements made by the Governors in the application of these policies that have significant effect on the financial statements and estimates with a significant risk of material misstatement in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets, the bad debt provision and the valuation of the defined benefit pension scheme liability.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

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 similar earned income

Fees receivable and charges for services and use of the premises, less any allowances, scholarships, bursaries granted by the School against those fees, but including contributions received from restricted funds, are accounted for in the period in which the service is provided.

Investment income

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

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.

Expenditure

Expenditure is allocated to expense headings on a direct cost basis. The irrecoverable element of VAT is included with the item of expense to which it relates. Any expenses incurred with recoverable VAT are shown net of VAT.

Tangible fixed assets and depreciation

Items purchased with a cost of greater than £5,000 are depreciated. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful economic life.

Furniture, fixtures & fittings and office equipment	15% on cost
Kitchen and teaching equipment	15% on cost
Motorised equipment	20% on cost
Computer equipment	50% on cost
Security & control systems	33.3% on cost
Motor vehicles	25% on cost
Rowing boats	10% on cost
Freehold property	2% on cost with 10% residual value
Leasehold property	2% on cost with 10% residual value or term of lease if shorter
Property improvements	10% on cost

Annual impairment reviews are carried out.

Where assets are fully depreciated by the balance sheet date they are eliminated from the accounts in the following year.

Fund accounting

- Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Governors for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor.
- Endowment funds are held permanently and are represented by investments and certain property.

1. ACCOUNTING POLICIES (continued)

Pension Schemes

The School contributes to the Teachers' Pension Scheme (the TPS) and to the Wandsworth Council Pension Fund (the Wandsworth Fund) at rates set by their actuaries and advised to the School by their administrators. As of 1 October 2016, the London Borough of Richmond upon Thames Pension Fund (the Richmond Fund) merged with the Wandsworth Fund. All previous participating employers of the Richmond Fund became participating employers of the Wandsworth Fund from this date and all assets and liabilities associated with each employer transferred to the Wandsworth Fund. These are defined benefit multi-employer pension schemes. For the TPS it is not possible to identify the assets and liabilities of the scheme that are attributable to the School and the School does not benefit from any surpluses on the scheme nor share in any losses. Accordingly, under FRS 102 the scheme is accounted for as if it were a defined contribution scheme. The Richmond Fund was closed to support staff joining the School after 1 April 2009. The School also contributes to TPT Retirement Solutions Pension Scheme for support staff joining the School after 1 April 2009. This is a money purchase scheme with a current employer contribution of 8% per annum and employee contribution of 4% per annum.

Operating Leases

Rentals payable are charged on a time basis over the lease term.

Realised and unrealised gains/losses

Realised gains/losses are recorded in the accounts at the date of disposal. Unrealised gains/losses are recorded at the balance sheet date.

Advanced Fee Payments

Parents may enter into a contract with the School to pay tuition fees in advance and by doing so they receive a discount.

Acceptance Deposits

An acceptance deposit is payable when a place is accepted at the School. The deposit is refunded when the pupil leaves the School. If parents choose not to send a pupil to the School after formally accepting a place the acceptance deposit is forfeited and retained according to the School's terms and conditions.

Financial Assets and Liabilities

Basic financial cost 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 social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to sterling at the balance sheet date at an appropriate exchange rate.

Investments

Investments are stated at market value less any provision for permanent diminution in value.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

2. CHARITABLE ACTIVITIES - SCHOOL FEES RECEIVABLE	2018	2017
	£	£
The School's fee income comprises:		
Gross fees	27,172,835	25,698,921
Bursaries granted from restricted funds	19,170	18,375
Bursaries	(1,499,733)	(1,542,281)
Scholarships	(1,041,886)	(910,859)
Staff discounts	(371,823)	(331,719)
	<u>24,278,563</u>	<u>22,932,437</u>
The School awarded new scholarships to entrants who were judged to be of exceptional potential and re-awarded scholarships to pupils who already hold awards. The total number of awards and discounts throughout the School was 412. Awards based on the entrance exam performance currently total 249. Hardship cases who receive financial support towards fees by way of bursaries, which are reassessed annually, totalled 111. The number of pupils of staff receiving discounts was 52.		
3. CHARITABLE ACTIVITIES - OTHER EDUCATIONAL INCOME	2018	2017
	£	£
Charitable activities		
Catering	1,304,025	1,253,602
Music tuition	279,142	297,191
Registration fees	127,575	113,168
Acceptance deposits forfeited	57,000	60,850
	<u>1,767,742</u>	<u>1,724,811</u>
4. INVESTMENT INCOME	2018	2017
	£	£
Pension Scheme - net finance income	324,000	768,000
Income from investments	41,672	23,490
Bank interest receivable	1,734	806
	<u>367,406</u>	<u>792,296</u>
5. GIFTS AND DONATIONS	2018	2017
	£	£
Donations	253,508	180,025
Appeal funds	6,022	6,357
	<u>259,530</u>	<u>186,382</u>

6. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Other costs £	Depreciation £	Total 2018 £
Cost of raising funds				
Bank interest and charges	-	33,940	-	33,940
Investment management fees	-	41,424	-	41,424
Total cost of raising funds	-	75,364	-	75,364
Charitable activities				
Teaching costs	11,553,858	1,751,745	162,046	13,467,649
Welfare and catering	41,353	1,263,099	40,240	1,344,692
Premises	1,145,812	1,384,160	1,643,185	4,173,157
Support costs	2,904,630	1,841,807	129,196	4,875,633
Grant making	-	19,170	-	19,170
Governance costs	-	37,686	-	37,686
Total charitable activities	15,645,653	6,297,667	1,974,667	23,917,987
TOTAL EXPENDITURE	15,645,653	6,373,031	1,974,667	23,993,351
Governance costs above include:				
Audit fees	-	30,000	-	30,000
Other services	-	7,686	-	7,686
	-	37,686	-	37,686
	Staff costs £	Other costs £	Depreciation £	Total 2017 £
Cost of raising funds				
Bank interest and charges	-	76,192	-	76,192
Investment management fees	-	32,861	-	32,861
Total cost of raising funds	-	109,053	-	109,053
Charitable activities				
Teaching costs	11,130,776	2,516,420	168,768	13,815,964
Welfare and catering	38,668	1,196,764	43,894	1,279,326
Premises	1,232,167	1,464,665	1,588,603	4,285,435
Support costs	2,611,595	1,246,503	129,759	3,987,857
Grant making	-	18,375	-	18,375
Governance costs	-	29,573	-	29,573
Total charitable activities	15,013,206	6,472,300	1,931,024	23,416,530
TOTAL EXPENDITURE	15,013,206	6,581,353	1,931,024	23,525,583
Governance costs above include:				
Audit fees	-	27,000	-	27,000
Other services	-	2,573	-	2,573
	-	29,573	-	29,573

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

7. STAFF COSTS	2018 £	2017 £
Payroll costs were:		
Teaching staff	11,553,858	11,130,776
Non-teaching staff	4,091,795	3,882,430
	<u>15,645,653</u>	<u>15,013,206</u>
Wages and salaries	12,439,080	11,932,667
Social security costs	1,353,622	1,277,459
Pension costs	1,852,951	1,803,080
	<u>15,645,653</u>	<u>15,013,206</u>
The average number of employees during the year was:	2018 Number	2017 Number
Teaching staff		
Full time	144	147
Part time	64	59
Non-teaching staff		
Full time	80	69
Part time	95	101
	<u>383</u>	<u>376</u>
The number of employees whose emoluments exceeded £60,000:		
£60,000 - £70,000	15	14
£70,000 - £80,000	4	2
£80,000 - £90,000	2	3
£120,000 - £130,000	-	1
£130,000 - £140,000	1	-
£210,000 - £220,000	-	1
£230,000 - £240,000	1	-
	<u>15</u>	<u>14</u>
Employees with retirement benefits accruing:	2018	2017
- in Defined Contribution schemes was	4	3
for which the employer contributions amounted to	£20,501	£15,269
- in Defined Benefit schemes was	18	17
Redundancy and other termination payments made during the year amounted to £28,813 (2017 - £9,542).		
Aggregate employee benefits of key management personnel	£1,439,396	£1,328,750
No remuneration is payable to any Trustees (2017 – nil).		
Payments of £282 (2017: £1,072) were made on behalf of 10 (2017: 10) Trustees during the year for various expenses incurred in relation to their duties.		

8. CONSOLIDATED ENTITIES

	The Fitzwygram Foundation 2018 £	The Fitzwygram Foundation 2017 £
Income from:		
Donations	1,140,521	25,788
Expenditure on:		
Cost of raising funds	(35)	-
Net Incoming Resources	<u>1,140,486</u>	<u>25,788</u>
General fund balance (Note 17)	<u>1,166,274</u>	<u>25,788</u>

9. FIXED ASSETS	Property	Freehold	Leasehold	Property	Equipment	
Group and School	Improvements	Property	Property	Total	Total	Total
	£	£	£	£	£	£
Cost						
At 1 September 2017	8,737,956	33,959,017	874,100	43,571,073	2,296,716	45,867,789
Additions	429,577	5,242,108	1,562	5,673,247	145,949	5,819,196
Disposals and adjustments	(51,841)	-	-	(51,841)	(139,329)	(191,170)
At 31 August 2018	<u>9,115,692</u>	<u>39,201,125</u>	<u>875,662</u>	<u>49,192,479</u>	<u>2,303,336</u>	<u>51,495,815</u>
Depreciation						
At 1 September 2017	3,927,114	2,602,586	131,632	6,661,332	1,217,082	7,878,414
Charge for the year	904,167	596,646	19,732	1,520,545	454,121	1,974,666
Disposals and adjustments	(51,841)	-	-	(51,841)	(139,329)	(191,170)
At 31 August 2018	<u>4,779,440</u>	<u>3,199,232</u>	<u>151,364</u>	<u>8,130,036</u>	<u>1,531,874</u>	<u>9,661,910</u>
Net Book Value						
At 31 August 2018	<u>4,336,252</u>	<u>36,001,893</u>	<u>724,298</u>	<u>41,062,443</u>	<u>771,462</u>	<u>41,833,905</u>
At 31 August 2017	<u>4,810,842</u>	<u>31,356,431</u>	<u>742,468</u>	<u>36,909,741</u>	<u>1,079,634</u>	<u>37,989,375</u>

HAMPTON SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

9. GROUP AND SCHOOL FIXED ASSETS (continued)

EQUIPMENT	Rowing Boats £	Furniture, Fixtures & Fittings £	Kitchen Equipment £	Teaching Equipment £	Motorised Equipment £	Computer Equipment £	Motor Vehicles £	Other £	Equipment Total £
Cost									
At 1 September 2017	123,513	709,883	304,806	352,887	214,797	243,298	243,546	103,986	2,296,716
Additions	42,780	9,033	-	46,724	47,412	-	-	-	145,949
Disposals and adjustments			(36,540)	(14,940)	(38,424)	-	(49,425)	-	(139,329)
At 31 August 2018	166,293	718,916	268,266	384,671	223,785	243,298	194,121	103,986	2,303,336
Depreciation									
At 1 September 2017	27,101	332,448	149,680	233,552	132,242	121,647	150,452	69,960	1,217,082
Charge for the year	16,629	106,000	40,240	57,371	39,516	121,651	48,530	24,184	454,121
Disposals and adjustments	-	-	(36,540)	(14,940)	(38,424)	-	(49,425)	-	(139,329)
At 31 August 2018	43,730	438,448	153,380	275,983	133,334	243,298	149,557	94,144	1,531,874
Net Book Value									
At 31 August 2018	122,563	280,468	114,886	108,688	90,451	-	44,564	9,842	771,462
At 31 August 2017	96,412	377,435	155,126	119,335	82,555	121,651	93,094	34,026	1,079,634

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

10. FIXED ASSET INVESTMENTS Group and School	2018 £	2017 £
QUOTED INVESTMENTS		
Market value at 1 September	7,770,516	6,877,302
Additions	2,231,865	1,248,319
Disposals	(3,012,356)	(1,118,735)
Investment management fees	(41,425)	(32,861)
Realised investment gains	45,826	73,326
Unrealised investment gains	442,921	723,165
Market value at 31 August	7,437,347	7,770,516
Historic cost at 31 August	3,451,036	4,256,153
ANALYSIS OF FIXED ASSET INVESTMENTS 2018		
	COIF £	GAM Fund £
Capital account – endowed funds	116,710	4,457,587
Accumulation fund	663,897	-
	780,607	4,457,587
RESTRICTED FUNDS		
Badman/Shepherd memorial fund	-	23,834
BRM bursary fund	-	6,086
	-	29,920
DESIGNATED FUNDS		
Bursary fund	-	2,049,716
Pension liability fund	-	119,517
	-	2,169,233
At 31 August 2018	780,607	6,656,740

ANALYSIS OF FIXED ASSET INVESTMENTS 2017				
	COIF	GAM	Total	
	£	Fund	2017	
		£	£	
CAPITAL FUNDS				
Capital account – endowed funds	108,877	4,120,223	4,229,100	
Accumulation fund	598,759	-	598,759	
	<u>707,636</u>	<u>4,120,223</u>	<u>4,827,859</u>	
RESTRICTED FUNDS				
Badman/Shepherd memorial fund	-	22,405	22,405	
BRM bursary fund	-	24,890	24,890	
	<u>-</u>	<u>47,295</u>	<u>47,295</u>	
DESIGNATED FUNDS				
Bursary fund	-	2,865,008	2,865,008	
Pension liability fund	-	30,354	30,354	
	<u>-</u>	<u>2,895,362</u>	<u>2,895,362</u>	
At 31 August 2017	<u><u>707,636</u></u>	<u><u>7,062,880</u></u>	<u><u>7,770,516</u></u>	
11. APPEAL FUND ASSETS		2018	2017	
Group and School		£	£	
Cash at bank		321	5,906	
Income tax recoverable and interest receivable		1,202	2,535	
		<u>1,523</u>	<u>8,441</u>	
12. DEBTORS	Group	Group	School	School
	2018	2017	2018	2017
	£	£	£	£
School fees receivable	268,476	272,710	268,476	272,710
Other debtors	183,989	255,255	183,989	251,097
Prepayments and accrued income	574,038	539,495	541,776	539,495
Prepayments to be released after more than one year	50,913	52,022	50,913	52,022
	<u>1,077,416</u>	<u>1,119,482</u>	<u>1,045,154</u>	<u>1,115,324</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

13. CREDITORS: amounts falling due within one year Group and School	2018 £	2017 £
Overdraft	194,641	64,011
Advanced fees (Note 14)	845,609	777,232
Fees received in advance	455,366	372,576
Trade creditors	1,254,311	731,774
Accruals	918,205	811,027
Other creditors	491,916	468,422
Tax and social security	326,962	316,086
Acceptance deposits	244,900	372,153
	<u>4,731,910</u>	<u>3,913,281</u>

14 GROUP AND SCHOOL CREDITORS: amounts falling due after more than one year Group and School	2018 £	2017 £
Bank loan (Note 15)	3,145,000	5,643,280
Acceptance deposits	2,030,500	1,913,650
Advanced fees	1,093,817	1,125,355
Other creditors	-	33,600
	<u>6,269,317</u>	<u>8,715,885</u>

Advanced fees

Parents may enter into a contract to pay to the School up to the equivalent of 7 years tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming pupils remain in the School, advanced fees will be applied as follows:

	2018 £	2017 £
After 5 years	-	42,657
Within 2 to 5 years	572,983	558,935
Within 1 to 2 years	520,834	523,763
	<u>1,093,817</u>	<u>1,125,355</u>
Within 1 year	845,609	777,232
	<u>1,939,426</u>	<u>1,902,587</u>

The balance represents the accrued liability under the related contracts. The movements during the year were:

Balance at 1 September	1,902,587	1,560,942
New contracts	848,119	1,031,816
Discounts applied	27,623	20,906
Amounts utilised in payment of fees	(838,903)	(711,077)
Balance at 31 August	<u>1,939,426</u>	<u>1,902,587</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

15. BANK LOAN
Group and School

A secured revolving loan agreement was entered into in September 2013 and amended by a letter of variation in December 2016. The loan has an upper limit of £6m. The final repayment date is 1 December 2021 and the interest is calculated at base rate plus margin of 2.00 per cent per annum. The terms of the loan agreement and variation were approved by written resolutions of the Governors. The loan is secured by a legal charge over the School's properties in Wensleydale Road and Gloucester Road, Hampton. As at 31 August 2018 the balance of the secured loan was £3,145,000 (2017: £5,643,280).

16. CAPITAL FUNDS
Group and School

Endowed funds

	Capital Account	Property Reserve	Accumulation Fund	Total
	£	£	£	£
1 September 2016	3,739,157	714,168	520,141	4,973,466
Net expenditure	(7,172)	-	-	(7,172)
Transfers	70,195	-	6,988	77,183
Investment gains	426,923	-	71,630	498,553
31 August 2017	4,229,103	714,168	598,759	5,542,030
Net expenditure	(11,252)	-	-	(11,252)
Transfers	70,195	-	-	70,195
Investment gains	286,251	-	65,138	351,389
31 August 2018	4,574,297	714,168	663,897	5,952,362

Under agreements with the Charity Commission the Trust is committed to the following repayments:-

To the Accumulation Fund:

- An annual sum of £6,988 was transferred to the Accumulation Fund from income in the 25 year period from 1992 to 2017 in order to recoup, together with investment gains, an amount of £325,000 withdrawn from capital to defray the costs of providing the Whitfield Building. As at 31 August 2018, the terms of the scheme have been fully complied with.

To the Capital Account:

- An annual sum of £15,000 is being transferred to the capital account from income for a period of 30 years from 1996 to 2026 in order to recoup an amount of £450,000 withdrawn from capital for the purpose of building the Alexander Centre.
- An annual sum of £21,333 is being transferred to the capital account from income for a period of 30 years from 1999 to 2029 in order to recoup an amount of £640,000 withdrawn from capital for the purpose of modernising and extending the school dining facilities.
- An annual sum of £20,000 is being transferred to the capital account from income for a period of 30 years from 2002 to 2032 in order to recoup an amount of £600,000 withdrawn from capital for the purpose of constructing the new teaching block.
- An annual sum of £13,862 is being transferred to the capital account from income for a period of 30 years from 2004 to 2034 in order to recoup an amount of £415,846 withdrawn from capital for the purpose of building an extension to the sports hall.

17. RESTRICTED FUNDS

Group	Total School £	Fitzwygram Foundation £	Total Group £
1 September 2016	63,049	-	63,049
Net income / (expenditure)	(12,100)	25,788	13,688
Investment gains / (losses)	4,787	-	4,787
31 August 2017	55,736	25,788	81,524
Net income / (expenditure)	(26,163)	140,486	114,323
Investment gains	1,870	-	1,870
Transfers	-	1,000,000	1,000,000
31 August 2018	31,443	1,166,274	1,197,717

School	Appeal Funds £	Badman/Shepherd Memorial Fund £	BRM Bursary Fund £	Total School £
1 September 2016	2,085	20,176	40,788	63,049
Net income / (expenditure)	6,357	(39)	(18,418)	(12,100)
Investment gains / (losses)	(1)	2,268	2,520	4,787
31 August 2017	8,441	22,405	24,890	55,736
Net income / (expenditure)	(6,918)	(60)	(19,185)	(26,163)
Investment gains	-	1,489	381	1,870
31 August 2018	1,523	23,834	6,086	31,443

The Appeal funds balance comprises two separate appeals:

- 450 Appeal £175 (2017: £1,251). The 450 Appeal was created to raise money towards the 450 Hall, now renamed as the Hammond Theatre. This project was completed in 2009.
- The 2000 Appeal £1,348 (2017: £7,190).

The Badman/Shepherd memorial fund supports travel grants for pupils.

The BRM bursary fund was established from donations made by parents and staff when Barry Martin, a former headmaster, retired in 2013. A second bursary was granted during the year.

The Fitzwygram Foundation was established in 2016 to seek ways to increase the level of bursary funding. The Fitzwygram Foundation aims to provide 50 new Free Places at Hampton by 2025 to mark 50 years since independence. A £1,000,000 donation was made during the year from the School to the Fitzwygram Foundation.

18. OTHER FUNDS AND RESERVES**Group and School**

	Unrestricted Funds Property Reserve (see note below) £	Unrestricted Designated Funds Bursary Fund £	Pension Liability Fund £	Pension Reserve (note 21) £	Unrestricted General Fund Income Account £	Total £
1 September 2016	27,472,991	2,557,040	-	(3,008,000)	-	27,022,031
Net income/ (expenditure)	-	13,388	(53)	694,000	1,545,503	2,252,838
Transfers	1,436,484	4,504	27,334	-	(1,545,505)	(77,183)
Gains / (losses)	-	290,076	3,073	86,000	2	379,151
31 August 2017	28,909,475	2,865,008	30,354	(2,228,000)	-	29,576,837
Net income/ (expenditure)	-	13,996	(302)	193,000	2,530,112	2,736,806
Transfers	2,348,167	(957,312)	82,000	-	(2,530,110)	(1,057,255)
Gains / (losses)	-	128,024	7,465	902,000	(2)	1,037,487
31 August 2018	31,257,642	2,049,716	119,517	(1,133,000)	-	32,293,875

Income account gains/(losses) and transfers in the unrestricted general fund income account:

	2018	2017
Expenditure		
Transfer to designated funds	(124,688)	(31,838)
Repayments to capital account (note 15)	(70,195)	(70,195)
Repayment to accumulation fund (note 15)	-	(6,988)
Transfer to property reserve	(2,348,167)	(1,436,484)
Income		
Funded by appeal (note 16)	12,940	-
	<u>(2,530,110)</u>	<u>(1,545,505)</u>

Property Reserve

The available balance of free reserves is designated up to a maximum of the amount spent on additions and improvements to freehold and leasehold properties less depreciation charged thereon and adjustments for disposals.

Pension Liability Fund

This will represent, over time, any shortfall in the pension scheme liability.

Bursary Fund

Bequests and other ad hoc amounts received by the School are allocated by the Governors to the Bursary Fund. A £1,000,000 donation was made from the Bursary Fund to the Fitzwygram Foundation during the year.

HAMPTON SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

2018	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	41,119,737	-	714,168	41,833,905
Investments	2,169,234	29,919	5,238,194	7,437,347
Net current (liabilities)/assets	(3,592,779)	1,524	-	(3,591,255)
Long term liabilities	(6,269,317)	-	-	(6,269,317)
Pension liability	(1,133,000)	-	-	(1,133,000)
School	32,293,875	31,443	5,952,362	38,277,680
Fitzwygram Foundation	-	1,166,274	-	1,166,274
Group	32,293,875	1,197,717	5,952,362	39,443,954
Net gains included above (compared to historic cost):				
On investments	1,469,514	22,285	2,494,506	3,986,305

2017	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	37,275,207	-	714,168	37,989,375
Investments	2,895,359	47,295	4,827,862	7,770,516
Appeal fund assets	-	8,441	-	8,441
Net current assets	350,156	-	-	350,156
Long term liabilities	(8,715,885)	-	-	(8,715,885)
Pension liability	(2,228,000)	-	-	(2,228,000)
School	29,576,837	55,736	5,542,030	35,174,603
Fitzwygram Foundation	-	25,788	-	25,788
Group	29,576,837	81,524	5,542,030	35,200,391
Net gains included above (compared to historic cost):				
On investments	1,337,471	22,522	2,154,370	3,514,363

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

20. FINANCIAL COMMITMENTS

At 31 August 2018 the School had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Payments due:		
Within one year	48,938	48,938
Between two and five years	70,687	119,625
More than five years	-	-
	<u>119,625</u>	<u>168,563</u>

The cost of the operating leases as an expense in the Statement of Financial Activities is £47,117 (2017: £44,305).

21. PENSION SCHEMES

The School participates in the Teachers' Pension Scheme (England and Wales) ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,386,543 (2017: £1,343,582) and at the year-end £179,339 (2017: £173,252) 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 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the completion and outcome of the next actuarial valuation which is being prepared as at 31 March 2016. Her Majesty's Treasury published draft Directions for the TPS on 6 September 2018 to allow the Department for Education to finalise this valuation. Initial indications from the valuation are that the employer's contribution may increase substantially from September 2019.

There are also indications that the protections in the new cost cap mechanism required by the Public Service Pensions Act 2013 mean public sector workers would get improved pension benefits for the period April 2019 to March 2023.

The School also participates in a defined benefit pension scheme (see note 21) and a defined contribution scheme for support staff. The pension charge for the year includes contributions payable to these schemes of £335,408 (2017: £414,690) and at the year-end £25,333 (2017: £23,993) was accrued in respect of contributions to these schemes.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

22. PENSION SCHEME LIABILITY

An actuarial valuation was carried out on behalf of the School as at 31 August 2018 in accordance with FRS102 and based on the instructions of the Wandsworth Council Pension Fund, of the defined benefit pension scheme previously offered to support staff. Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The last full actuarial valuation of the Fund was as at 31 March 2016, which set the contributions for the period from 1 April 2017 to 31 March 2020.

	2018	2017
	% per annum	% per annum
Financial assumptions		
Pension increase rate	2.30%	2.7%
Salary increase rate	3.30%	3.6%
Expected return on assets	2.65%	2.6%
Discount rate	2.65%	2.6%
Breakdown of the expected return on assets by category		
Equities	2.65%	2.6%
Gilts and bonds	2.65%	2.6%
Property	2.65%	2.6%
Cash	2.65%	2.6%
	<u> </u>	<u> </u>
	2018	2017
	£'000	£'000
Fair value of employer assets		
Equities	6,152	6,323
Gilts	360	396
Bonds	929	890
Property	314	261
Cash	51	59
Multi-asset fund	1,388	764
	<u> </u>	<u> </u>
	9,194	8,693
	<u> </u>	<u> </u>

22. PENSION SCHEME LIABILITY (continued)

Mortality

Life expectancy from age 65:

	Males	Females
Retiring today	24.5 years	26.1 years
Retiring in 20 years	26.8 years	28.5 years

	2018 £'000	2017 £'000
Balance sheet		
Fair value of employer assets	9,194	8,693
Present value of funded liabilities	(10,327)	(10,921)
Net underfunding in funded plans	(1,133)	(2,228)
Present value of unfunded liabilities	-	-
Unrecognised past service cost	-	-
Net liability	(1,133)	(2,228)
Amount in balance sheet		
Liabilities	(1,133)	(2,228)
Assets	-	-
Net liability	(1,133)	(2,228)

Recognition in the Statement of Financial Activities (SOFA)

	2018		2017	
	£'000	% of pay	£'000	% of pay
Current service cost	288	44.3%	302	37.7%
Net interest cost	56	8.6%	61	7.6%
Administration expenses	3	0.5%	8	1.0%
Total	347	46.3%	371	46.3%
Actual return on plan assets	608		1,002	

22. PENSION SCHEME LIABILITY (continued)	2018 £'000	2017 £'000
Reconciliation of defined benefit obligations		
Opening defined benefit obligations	10,921	10,619
Current service cost	288	302
Interest cost	281	222
Contribution by members	48	58
Change in financial assumptions	(902)	(215)
Change in demographic assumptions	-	539
Experience gains on liabilities	-	(410)
Estimated benefits paid	(309)	(194)
	<u>10,327</u>	<u>10,921</u>
Reconciliation of fair value of employer assets		
Opening fair value of employer assets	8,693	7,611
Interest on assets	225	161
Return on assets excluding interest	383	841
Other actuarial losses	-	(4)
Administration expenses	(3)	(8)
Contribution by members	48	58
Contribution by employer	157	228
Estimated benefits paid	(309)	(194)
	<u>9,194</u>	<u>8,693</u>
Amounts for the current and previous accounting periods		
Fair value of employer assets	9,194	8,693
Present value of defined benefit obligations	(10,327)	(10,921)
Deficit	(1,133)	(2,228)
Experience gains/ (losses) on assets	-	-
Experience gains on liabilities	-	410
	<u>-</u>	<u>410</u>
Reconciliation of Statement of Financial Activities (SOFA) and Balance Sheet movement		
	2018 £'000	2017 £'000
Movement in net liability	1,095	780
Associated amounts included in investment income:		
Net finance income	(324)	(768)
Associated costs included in charitable activities expenditure:		
Employer's contribution less service cost	131	74
	<u>902</u>	<u>86</u>
Actuarial gain/(loss) in SOFA	<u>902</u>	<u>86</u>

The employer's contributions for the year to 31 August 2019 will be approximately £157,000.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

23. CAPITAL COMMITMENTS

At 31 August 2018 capital commitments of the School relating to the Hammond Quad Sixth Form Centre were £1,694,000 and relating to the new teaching block were £4,034,000 (2017: £6,168,000 relating to the Hammond Quad Sixth Form Centre and £180,000 relating to the sports field drainage system).

24. PUPILCOACH LIMITED

The School has a half ownership of PupilCoach Limited, a joint venture with Lady Eleanor Holles School (LEH) since March 2000 to provide a service to parents requiring help in getting their children to and from the schools. The company's accounting year is to 31 August. Equity accounting is not used for the joint venture as it is not material to the School. The net surplus on shareholders' funds at 31 August 2018 is £31,642 (2017: deficit £18,027). The School's share of the results for the year ended 31 August is as follows:

	2018 £	2017 £
Profit and loss account		
Turnover	658,106	596,784
Administrative expenses	(622,836)	(614,811)
Operating loss	35,270	(18,027)
Interest receivable	-	-
Profit/(loss) on ordinary activities before taxation	35,270	(18,027)
Taxation on profit/(loss) on ordinary activities	-	-
Distribution to the School	(13,628)	-
Profit/(loss) on ordinary activities after taxation	21,642	(18,027)
Brought forward as at 1 September	(21,642)	(3,615)
Carried forward as at 31 August	-	(21,642)
	2018 £	2017 £
Balance sheet		
Current assets		
Debtors	5,000	3,853
Cash at bank and in hand	38,815	7,094
Creditors: amounts falling due within one year	(12,173)	(28,974)
Net current assets/(liabilities)	31,642	(18,027)
Capital and reserves		
Called up share capital	31,642	3,615
Profit and loss account	-	(21,642)
	31,642	(18,027)

25. SUBSIDIARIES

The School is the sole member of The Fitzwygram Foundation (Company registration number 10056045 and charity registration number 1167976), a company limited by guarantee, which was incorporated on 10 March 2016. The registered office of the company is the same as the School.

The School owns the entire ordinary share capital of Hampton School Enterprises Limited (Company registration number 03003554), which was dormant in the current and preceding year. The registered office of the company is the same as the School.