

Annual Report & Accounts  
for the year ended 31 August 2020



Haileybury

# Haileybury and Imperial Service College

## Annual Report for the 13 Months Ended 31 August 2020

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# Haileybury and Imperial Service College

## Review of the Period for the 13 Months Ended 31 August 2020

### Introduction

This review for 2019/20 highlights the notable achievements of Haileybury pupils and staff during the year, from public support and strengthening partnerships to improving academic performance, sporting success and artistic acclaim. This extraordinary year has presented challenges but, as can be seen from the summary below, the Haileybury community has worked together, adapted and thrived.

### Achievements and Performance

Despite the global pandemic, careful, considered planning, a positive approach, the support of our parents and the dedication and determination of our staff, allow the school to look forward with confidence into 2020/2021 and beyond.

Pupil numbers in September 2019 increased to 871 (2018, 828) whilst the percentage of senior boarders remained above 70%. We have waiting lists in most year groups and numbers similar into 2020/2021. The wellbeing of pupils and staff has been a significant focus. A new position, Deputy Head (Safeguarding and Wellbeing), was created to support the Deputy Master in this area. The Health Centre was refurbished, a full-time manager was appointed, and we entered into a partnership with a progressive local doctors' practice. The impact of these changes has been to provide a much higher level of all-round pastoral support for our pupils and the boarding houses in which they live.

To continue to improve academic standards, the new position of Assistant Head (Professional Development) was created to provide greater focus on the development and sharing of teaching practice and skills.

Public Benefit remains a top priority. To have as great an effect as possible on the education of local young people, Haileybury increased significantly the financial and practical (in the form of a range of support and services) contributions made as sponsors of Haileybury Turnford (Single Academy Trust). Further detail is set out below. Means-tested bursaries are also a growing strand of our commitment to widening access to education.

During the period of time in which the school campus was closed as a result of the national lockdown, the education of pupils continued in full through the delivery of the Connected School. Pupils were taught in line with their usual curriculum. They were offered a full range of co-curricular activities, from sport and fitness to music concerts, poetry societies and electronic publications. Pupils in Fifths (Year 11) embarked on Pre-Sixth Form courses; those leaving the Upper Sixth took Pre-university courses. Both year groups were joined on these courses by pupils from the school's international partner schools in Almaty and Astana, Kazakhstan. The Connected School was innovative and became an important step in the school's digital strategy. There are many features of the Connected School that will be retained to enhance our educational provision in the future.

In December 2019, Council decided to proceed with the first major project to come from the 15-year masterplan: the building of a STEAM (Science, Technology, Engineering, Art, Maths) Centre known as "SciTech". The design concept introduces defined areas for research so that pupils can be actively involved in external scientific research (e.g. the Stan-X project discussed in more detail below) or can follow design ideas through to manufacture. We have appointed project managers and, subject to any unforeseen problems caused by the pandemic crisis, hope for completion within the 2022/2023 academic year.

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The governors' strategy to increase the number of international partnerships was realised at the end of the year. Agreements with schools in Egypt, Bangladesh and Malta were signed over the summer. The schools are expected to open within the next two/three years.

During the period of lockdown, the Haileybury community showed considerable resilience. Whilst the teaching staff were delivering the Connected School, support staff from all departments showed flexibility and dedication in their various roles. We were also able to offer our Health Centre to local GP practices for the examination of patients with Covid-19 symptoms for a range of conditions.

Haileybury purchased a Covid-19 testing system capable of results within two hours to ensure prompt access to tests performed by our Health Centre. Four local state schools were allowed use of the facility, free of charge. By eliminating the waiting time for a test and receiving the results, all five schools have reduced the need for isolation and therefore the ability of all the schools to provide continuity of education through the crisis.

## **Public Benefit**

As set out above, a significant strand of Haileybury's public benefit is the continued sponsorship of Single Academy Trust, Haileybury Turnford (HT), which has incorporated support across governance, finance, teaching, co-curricular activities, careers, support staff services and marketing since 2015.

Haileybury continues to provide professional expertise in governance at HT, with the Chair of Governors and of the Education Committee both being members of Haileybury staff, while the Chair of the Finance Committee is a former Haileybury parent. The Bursar also sits on HT's Finance Committee.

HT enjoyed improving outcomes for its Year 11 students, with Haileybury's support for Year 11 science pupils a critical factor in this academic success.

Support was also provided for Year 12 and 13 pupils in their UCAS applications, with several HT pupils being offered places at Russell Group Universities.

Support was also provided in Modern Foreign Languages and Maths, while staff across both sites continued their professional development partnership in the Teach Meet initiative as well as through coaching and the National Professional Qualification for Middle Leaders (NPQML). This professional development activity was led jointly by staff from both schools.

HT pupils enjoyed visits to the Chapel at Haileybury and once again took part in the Haileybury Model United Nations (MUN) Conference. A particularly successful initiative was the masterclasses for gifted Year 7 pupils at both schools, who benefited from half-termly enrichment activity, devised and led jointly by teachers from HT and Haileybury.

Pupils attended a number of lectures as part of the Haileybury Lecture Series and continue to be members of the Haileybury Combined Cadet Force (CCF).

HT has benefited from substantial marketing and PR support from Haileybury in the form of publication design and development, advertising, news articles, press releases, social media training and photography.

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## Safeguarding and Wellbeing

The appointment of Dr Laura Pugsley as Deputy Head (Safeguarding and Wellbeing) in February 2020 has combined the role of Designated Safeguarding Lead with oversight of pupil and staff wellbeing matters. She is working closely with the Deputy Master to support the pastoral operation of the school. The new Chaplain, Rev Chris Stoltz, started in post in April and is a key part of the pastoral team. The Chaplain is working on the development of a strategy regarding staff wellbeing at Haileybury.

We continue to reflect on – and make even better – our Safeguarding and Child Protection procedures, ensuring thorough training of all staff and continuity of care from one year to the next for identified pupils of concern. Weekly Safeguarding and Wellbeing meetings with the Health Centre Manager, Lead Counsellor, Hailey View GPs and Head of Boarding are central in fulfilling our aim of achieving a high level of continuity of care, sharing best practice and improving communication. We have appointed a second counsellor to respond to demand on the service and to add capacity for key pastoral staff to have counselling supervision sessions.

Particular attention has been paid to staff and pupil wellbeing during lockdown and in anticipation, and the realisation of, our return to school. We have appointed a Head of E-safety in response to the school's greater focus on digital teaching and learning, and the increase in online learning during the Connected School. We gained certification with National Online Schools (NOS), which includes provision for parent-focused digital safety training.

In response to pupil feedback, and to international events, greater focus is being given to our inclusion and diversity agenda at Haileybury. We have recruited more female governors and are looking to increase the number of BAME governors and staff; we are seeking real cultural change to eradicate racism in all its forms, for example through education by expanding the curriculum and through pupil voice; and we have registered as a Stonewall Champion school.

## Academic

At GCSE, 56% of grades were awarded at 9/8 (A\*) with 77% of grades awarded at 9/8/7 (A\*-A). This represents the highest proportion of grades awarded at the top level in the school's history.

Haileybury pupils achieved an average score of just under 38 for the International Baccalaureate Diploma Programme – the equivalent of AAAA at A level. This average points score is the highest in some years. IB pupils secured places at universities in over ten different countries, which demonstrates the international diversity of the school's pupil body.

A-level pupils were awarded the best grades in the school's recent history, with nearly half of grades awarded at A\* or A, and just under 80% of grades awarded between A\* and B.

The results mean that well over half of all grades achieved by Sixth Form pupils this year were at A or A\* level and almost 90 per cent of all Sixth Form grades were A\*-B.

As of September 2020, nearly 90% of our pupils have enrolled in a university of their choice, including Oxford, Cambridge and Russell Group Universities.

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Curriculum 2020 has been implemented this year which promises to bring an exciting, innovative and intellectual dimension to the learning of our pupils. Our pupils are also involved in Stan-X, a collaborative research project which sees them working with Stanford University in California as well as the University of Oxford. We also welcomed two teaching Fellows from Princeton as we continue to establish a link with the university.

Ten pupil-led societies have been launched and we also celebrated the awarding of the inaugural prize for the In Our Time essay competition. The school has launched a new professional development process that has led to all members of teaching staff taking part in professional growth conversations and setting professional targets that enhance and develop the quality of their teaching.

## **Outreach Activities**

Pupils provided assistance at local primary schools which involved readers and activity leaders, particularly in the arts and sports. The school's Social Action Group also undertook visits to residential care homes for the elderly and volunteered in charity shops, local parks and in the school's own second-hand uniform shop (raising funds for Haileybury's chosen charities).

Charitable activity was wide-ranging, with the principal beneficiaries being Haileybury Youth Trust (working with Ugandan youth), and Cardiac Risk in the Young (CRY), in memory of a former pupil.

Charitable organisations were welcomed to Chapel, including the Isabel Hospice, the Hertfordshire Rotary Club, Hertfordshire Chorus, ABF The Soldiers' Charity as well as local schools.

The school hosted a large-scale, public performance of Elgar's *Dream of Gerontius*, accompanied by the Hertfordshire Philharmonic Orchestra, as well as the High Sheriff's Concert, which attracted community choirs and members of the Haileybury community. This concert raised funds for local charities and voluntary organisations. The Chapel hosted a concert by the Band of the RAF Regiment, while other fundraising events included a Jazz Night for the Isabel Hospice.

Music and drama collaborated in a sold-out public production of *The Drowsy Chaperone* at Hertford Theatre, while other drama productions, staged at school, also attracted large audiences.

Clubs and associations made use of the school's facilities and estate, with Baracudas, Saracens Academy and Tottenham Hotspur all holding camps on site. Several schools and clubs also used the facilities for regular training, fixtures and festivals. Haileybury also hosted festivals in rugby, cross country and indoor hockey as well as the International Association of Prep Schools (IAPS) national hockey finals.

The Haileybury Lecture Series enriched the school's co-curricular offering and provided the wider community with an opportunity to hear from eminent speakers such as Dr Robin Niblett, Andrew Hilton, Professor Martin Kemp, Professor David Wilson and Dr Hannah Critchlow.

## **Sport**

Our U14A rugby team were unbeaten again, on a top circuit including Eton, Wellington, Oundle and Bedford. The last time the U14As lost a rugby match was November 2017. The strength in depth was excellent too with up to four teams in some age groups. The 1<sup>st</sup> XV had a strong campaign, winning nine games and losing just three towards the end of the season when injuries took their toll. Both the U14s and U18s were county champions for yet another year; the U18 cup was won with a 2<sup>nd</sup> XV.

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In girls' hockey, the U12 and U14 sides won county titles and the U16 side made the national cup quarter-finals. The U15s were ranked top five in the country, winning 20 out of 21 games. The U16s and U18s won county indoor titles and the 1<sup>st</sup> XI won Haileybury's first national hockey title: The Investec Girls' School Championships.

The girls' U17 swimming squad won the county league for the first time and in lacrosse, the U15s reached the last 16 at the National Championships. Our U12 girls' indoor cricket team were county champions and the U14 netball team were unbeaten all season.

In boys' hockey, the U16s made the East of England Finals and our rugby 7s side made the county final in both U16s and U18s. Football is going from strength to strength, with Tottenham Hotspur coaches developing our younger players. The U13s reached the last eight in the Independent Schools Football Association (ISFA) Cup.

We had our first ever table tennis fixture last year and the ski squad reached the national finals for the first time –one of our U14 boys recorded the fourth fastest time in the U16 competition.

The senior cricketers spent a week on tour in Dubai, winning all but one game and one of our Upper Sixth pupils hit a half century at Lord's for the MCC schools' side.

Strong links continue to be maintained with Southgate Hockey Club, Saracens Rugby Football Club, Hertfordshire Mavericks (Netball) and Hertfordshire County Cricket Club.

## Music

The future of the department is exciting, intake has been impressive and the current pupils are thriving. Large numbers of pupils continue to take one-to-one tuition, with the Music School employing 30 peripatetic teachers. There were 500 music lessons a week with choirs, orchestras and bands continuing to grow. There are large numbers of pupils taking Grade 8 and diploma exams. The level of players is higher than it has been for 15 years.

The combined forces of the Chapel Choir, Lower School Choir, Haileybury Choir, Old Haileyburians and the Royston Choral Society made for a moving performance of Elgar's stunning Dream of Gerontius.

The Chapel Choir led a stunning Carol Service in the City of London followed by two public Carol Services at school and 40 pupils toured Munich and Austria over Christmas 2019.

There was a Lower School concert each term, the annual Song and Piano Concert and two Music Scholars' Concerts. Field trips included visits to London and also to Elgar's home in Worcester. Professor Simon Lepper led a masterclass with our singers.

Pupils continue to attend rehearsals, masterclasses and music lessons on Zoom. There were also four virtual Living Room Concerts. A highlight of the summer term was the creation of lockdown videos by the choir and jazz band. The VE Day Service and Easter Services were very much appreciated by the school community.

## Drama

The highlight of the drama calendar was the magnificent production of The Drowsy Chaperone at the Hertford Theatre in February which gained five-star reviews from parents, pupils and staff and was enjoyed by more than 1,300 people.

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The Sixth Form production of *Mine* provided an excellent example of powerful acting and superb technical support. Indeed, our leading actress went on to be accepted into the prestigious National Youth Theatre company, which is a superb achievement in an incredibly competitive field and well worthy of note.

Lower School pupils from the drama club delivered a wonderful abridged version of *A Child's Christmas in Wales* at the Lower School Christmas concert.

There were numerous theatre visits, workshops from visiting professionals and film school academies to enrich the curriculum.

Music examination results were excellent. LAMDA pupils more than doubled, with numbers exceeding 70 and five tutors delivering lessons.

Dance has been made available on four days of the week and features as a sports option for two out of three terms. Film Club and Haileybury TV (HTV) have been established, alongside High Performance Drama (HPD). We are excited to see film content delivered this year through HTV and for the HPD pupils to be working towards an accredited Trinity College Arts award.

Plans are in place for an outdoor theatre construction at the end of next year, with an abridged Shakespeare performance for Lower Sixth and Middles, a performance from Removes pathway pupils and the Lower School production set to be staged in the penultimate week of term.

## **Art**

Pupils working in the Art School benefitted from bespoke workshops provided on a weekly basis, both by subject teachers and later in the year by the addition of our new Art Fellow. The presence of a working artist in the Art School has had a positive impact on the pupils' work ethic as well as their outcomes. There has been positive feedback from both Upper Sixth and Lower Sixth pupils who made use of the workshops. These had a clear impact on their enjoyment, confidence and performance in the subject, which is evidenced in the work that was produced.

With more specialist equipment, pupils have been able to develop their proficiency in a wide range of media, both inside and outside of lesson time. The impact on the quality of images and diversity of work that is being produced is already evident in the current Fifts and Upper Sixth pupils' work. Lower School and Middle School pupils continued to enjoy the provision of art clubs. These included the Removes' Ceramics Club and Sculptural Club for the Lower School.

The semi-permanent exhibition space has continued to be an excellent addition to the department. As the year progressed, we were pleased to see pupils and staff attending regularly to view the artwork on show. These proved particularly successful for Sixth Form pupils, providing a clear focus for creating work and giving the opportunity for pupils to reflect and progress.

Trips continued to provide inspiration to our exam year groups. The V&A, Pitt Rivers Museum, Oxford Botanical Gardens and the London Art Fair allowed pupils the opportunity to view the work of other artists, as well as recording observational drawings and collecting relevant photographs for their work. These images and recordings have inspired the well-informed development of individual projects.

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Connected Learning was supported through individual art packs sent to pupils, and the continuation of workshops through Zoom. The launch of the Haileybury Information and Knowledge Service (HIKS) complemented the learning of the pupils, providing them with the research material needed in order to continue the development of their individual projects. Pupils also visited virtual exhibitions, such as the BP Portrait Awards, in order to continue to contextualise their work.

## CCF

There were 157 cadets on the Nominal Roll including 12 from Haileybury Turnford and 17 members of staff regularly contributing to the running of the programme.

Cadets grew as people, challenged themselves and others, and built confidence through experience and leadership appointments.

All three sections were involved in a two-day field training exercise in October, including fieldcraft and a visit to Mervill Barracks in Colchester and a visit to Wattisham, home of the British Army's Attack Helicopter Force (Apache) for army cadets.

The Royal Navy section worked towards their RYA sailing certificates and the RAF had flying opportunities. The extensive estate was put to good use for a range of activities through the year, including the new Air Rifle Range. Adventure training took place on site, at Harlow and in the pool.

Senior cadets excelled and the leadership was outstanding with no fewer than four Upper Sixth pupils reaching the level of Cadet Warrant Officer. In March, we hosted the RAF Benevolent Fund Charity Concert in Chapel which was attended by more than 100 people. The RAF section provided an Honour Guard for VIP guests.

## Conservation Work

The new Sixth Form recruits have been working on refurbishing the beehives, apiary and surrounding area. We were able to harvest a small quantity of honey that raised funds for Bees Abroad.

The closure of the school gave the opportunity to connect with a much wider audience through a beekeeping vlog (Live from the Hive), which was available to pupils, staff and parents via the Connected School.

Interest in beekeeping continues to expand amongst the pupils and staff and it has become one of the most popular activities on the co-curricular list.

The project to grow trees from acorns collected from Lightning Oak is starting to yield results and we now have approximately 50 healthy saplings that will soon be ready to plant. The original idea was to sell these to OHs and donate the proceeds to charity.

## Haileybury Overseas

Haileybury currently has two international partner schools, both in Kazakhstan. Haileybury Almaty opened in 2008 and Haileybury Astana opened in 2011. Both schools operate from Kindergarten to Year 13 and offer IGCSEs. In the Sixth Form, Haileybury Almaty offers A-level courses and Haileybury Astana offers the IB Diploma Programme. Both schools are fully accredited members of the Council of British International Schools (COBIS).

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There are plans to open Haileybury schools in other countries. Contracts have been signed to support new schools in Egypt, Bangladesh and Malta. Haileybury Cairo is hoped to open in September 2021 with a limited number of primary classes but will eventually become a school for pupils from three to eighteen years of age. Haileybury Bhaluka and Haileybury Malta are planned to open in 2022/2023.

## **Haileybury Estate**

The 15-year Estate Masterplan allowed for the first major capital project to be progressed. The SciTech project, a STEAM teaching facility, is progressing and is an exciting example of how the Masterplan will allow Haileybury not only to conserve and maintain its already impressive estate, but also to continue to develop and improve the school with the addition of new, state-of-the-art facilities.

The pandemic meant that the large capital projects for summer 2020 have been deferred to summer 2021. This includes the completion of the Form Room Building refurbishment and the refurbishment of Lawrence House. Several smaller projects were completed during summer 2020 including an upgrade to our Health Centre and improvements to the heating system in Big School.

Our commitment to renovate the estate and deliver our vision for the site remains intact. As funds allow, we will continue to make improvements to the site and ensure the SciTech project adds a new and exciting facility for our pupils.

## **Conclusion**

Despite a period dominated by the global pandemic, the school has continued to improve by building on previous achievements academically and culturally and has surpassed expectations by increasing pupil numbers and consolidating its financial position during this period. The school has continued to ensure that public benefit remains at the core of its strategy, and the year has brought successes to Haileybury Turnford as a result. Haileybury rose to the challenge of remote teaching with the development of the Connected School, so that the period of lockdown became an opportunity to accelerate an innovative digital strategy. Haileybury has protected its community by ensuring that the wellbeing of pupils, and staff, remained its highest priority. The school has therefore emerged strongly and looks forward to further growth and development in the coming financial year.

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## Council's Report for the 13 Months Ended 31 August 2020

### Objects and Aims

The object of the charity is to maintain, develop and enhance the school. This may be pursued by operating one or more schools and by making grants in support of one or more schools, provided those schools are connected with Haileybury.

It is the aim of the school to ensure that every pupil maximises his or her academic potential. In addition, we provide an exceptionally diverse co-curricular programme which aims to build self-discipline, awareness and self-confidence, a desire to contribute to the local community, wellbeing, concern for others and to instil in pupils the importance of service.

### Structure

Haileybury and Imperial Service College was established under a Royal Charter dated 30 August 1864, whereby the body corporate of the Life Governors of Haileybury College was constituted for the purpose of carrying on and maintaining Haileybury College. Supplemental Royal Charters were granted in 1929, 1943 and 2000.

The College is registered as a charity, number 310013. "Haileybury" is recognised in the Charter as the informal name of Haileybury and Imperial Service College.

Haileybury Enterprises Limited (HEL) is a company wholly owned by Haileybury, which is responsible for the management of trading activities that do not come directly within the terms of the Charter but which are undertaken for the ultimate benefit of the school.

The principal activities of the company are residential lettings, sports complex lettings, overseas educational advice and consultancy, construction and property dealings.

### Governance

The school has a two-tier structure of governance comprising a full Board of Governors, and an elected Council.

The members of Council are elected by the Governors. By the terms of the Charter, the affairs and property of the corporation are under the conduct, management and control of Council whose members are the Charity Trustees within the meaning of section 97(1) Charities Act 2011 namely "the persons having the general control and management of the administration of a charity". The members of Council are listed on page 42.

All Governors are therefore members of the Corporation, however it is only the members of Council who are the Charity Trustees within the definition of section 97(1).

The Members of the Council give very generously of their time and efforts to help guide the school. Their varied and relevant professional expertise is wide ranging and complements the skills and experience of the executive team running the school on a day-to-day basis.

The President is the Bishop of the St Albans Diocese within which the school is situated. The Chairman and the Chairman of the Nominations and Governance Committee are elected by the Governors and

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hold office for a period of three years. The Treasurer is appointed by Council and is ex-officio Chairman of the Finance and General Purposes Committee. Candidates for election to Council are identified by the Nominations and Governance Committee set up for this purpose.

New members of Council are introduced to the workings of the school during an induction visit involving the Master, the Bursar and other senior staff relevant to their particular area of expertise. An induction training session is also provided to new members by the Bursar and Deputy Bursar. Members of Council attend external and internal training courses and seminars on an ongoing basis.

## Meeting and Committees

The Board of Governors meets annually and delegates the oversight of the school to the members of Council who in turn delegate the day-to-day management of the school to the Master who is supported by the Senior Leadership Team.

Day-to-day matters concerning the administration of the charity are delegated to the Bursar. The Master and the Bursar are the key management personnel.

Council meets four times a year in addition to attending an annual Strategy Day. Council has appointed a number of committees as set out below:

- Nominations and Governance Committee – meets termly and additionally as required.
- Finance and General Purposes Committee – meets four times a year.
- Education Committee – meets four times a year to consider academic matters.
- Safeguarding and Wellbeing Committee – meets four times a year to review the wellbeing and safety of pupils, staff and other members of the Haileybury community.
- Estates Committee – meets termly and additionally as required.
- Investment Committee – meets with the investment managers twice a year to discuss performance and objectives.
- Audit Committee – meets twice a year to review the audit plan, audit report and statutory accounts.
- Development Board – meets termly and additionally as required.
- International Board – meets termly and additionally as required.

Additionally, up until August 2020, an Executive Committee (comprised of the Chairs of the key committees above) met termly with the Master to discuss key issues.

Membership of these committees is given on page 42. Other committees are formed by Council from time to time for specific purposes and disband on completion of their work.

In addition to the committees listed above the following Governors have special responsibilities:

- Mr C Sherwood - Staff Liaison
- Rev Canon S Harvey - Safeguarding (from 1 September 2020; previously Dr N Richardson)
- Mr S Westley - Haileybury Turnford
- Dr A Drewett - Health and Safety

Remuneration for staff is agreed by Council, with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the school's success. Due regard is also given to the external market.

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Advisers to the school are all specialists in the education and charity sector and give advice as required. The Advisers are set out on page 43.

## Financial Review

The Consolidated Statement of Financial Activities shows a decrease in funds of £1.04m (£2.2m increase in 2019). Excluding the investment loss of £0.5m (£0.4m gain in 2019) the decrease is £0.5m (£1.8m increase in 2019). Consolidated Total Funds decreased to £57.6m (£58.7m in 2019) and the Consolidated Cash Flow Statement shows a net increase in cash of £2.2m (increase of £0.9m in 2019).

This has been an extraordinary year and the results have been affected adversely by two factors, the pandemic and the school's own decision to change the year-end. Once the financial effects of these two factors (discussed in the paragraphs below) have been taken into account, it is clear that the school's underlying financial performance is strong. Pupil numbers in September 2020 are as they were last year and our robust financial position allows us to plan optimistically.

The school changed the year-end from 31 July to 31 August creating a 13 month reference period. The two principle reasons for making the change were to:

- Improve financial control of summer projects – rather than estimating how much of a single project would fall before and after July, all costs will now fall within the same budget reference periods.
- Align the academic and financial years which improves understanding of the manner in which financial planning underpins academic objectives.

As a consequence of this change, 13 months' expenditure was set against 12 months' income. Revenue expenditure in the month of August 2020 was £1.51m and would not have been charged had the year-end not been moved.

On 20 March 2020 the government closed all schools as part of the national "lock-down" in response to the Covid-19 pandemic. As a result, the school could not offer residential boarding and, therefore, decided not to charge parents the boarding element of the fees. The school also decided that, with pupils not on site, it was proportionate and fair to reduce the fee for the tuition element. A decision was made to reduce the fee to the equivalent of 85% of the day fee for the summer term. In financial terms this represented a £2.6m fee reduction for the term. We are a fixed cost business and made modest savings in terms of variable costs (food, laundry etc.). Those members of the support staff (e.g. cleaners, caterers, maintenance) who could not work from home and were not required to support on-line learning were "furloughed". The school made up the earnings of all furloughed employees to 100%. Due to the uncertain nature of the situation, the school decided to postpone capital expenditure not required to ensure the safety and wellbeing of our staff and pupils on their return in September 2020. Thus, the second phase of the Form Room Building and the refurbishment of Lawrence Boarding House will take place over the summer of 2021.

The depreciation charge for the year has increased by £0.5m to £1.5m. After a review of our capitalisation policy, it was decided that significant enhancements to existing buildings would be capitalised rather than charged in full to revenue. This treatment will have the effect of increasing the charge over a number of years, providing an amount which is closer to the required annual renewal of our facilities.

In the last few months of the period HEL signed three contracts with partners in Egypt, Bangladesh and Malta to provide support to new schools in three countries. The initial payment on agreement allows us

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to invest properly in 2020/2021 in supporting the development of the schools and has been treated as income in 2020/2021.

The principal funding source for the charity is fee income which amounted to £22.7m (£23.2m in 2019). Annual boarding fees were increased by 5 per cent in the year and day fees by 4 per cent. Cost control is of paramount importance and the school strives to maximise the value obtained from all expenditure.

## Assets

By moving the year-end to August we report a higher balance sheet balance at bank. This is due to early payment of fees for the forthcoming term (note the increase in short-term creditors).

In December 2019, Council approved the planning of a new science facility known as SciTech. In addition to new teaching and laboratory facilities, the facility will focus on scientific research. Project Managers were appointed in February and, despite the pandemic, planning work has continued and we, subject to further problems caused by the pandemic crisis, aim to deliver the facility during the 2022/2023 academic year.

The first refurbishment phase of the Form Room Building was completed in August 2019 ready for the new term improving significantly the teaching spaces and the building's structural integrity whilst respecting the value of the building in heritage terms. Batten and Kipling Boarding Houses and the Health Centre were both completely refurbished during the period. The school's tennis courts on Hailey Lane were upgraded, new heating introduced into Big School and following a review, grounds vehicles and equipment and two new minibuses were purchased as part of a rolling replacement programme. We invested in our IT facilities and equipment with a particular emphasis on wireless connectivity. An upgrade programme over the summer of 2020 ensures that every covered space at Haileybury allows pupils an excellent, stable connection to the internet and intranet.

During the year the school invested £3.1m (£3.4m in 2019) in Fixed Assets of which £0.5m was on pupil accommodation (1.0m in 2019) and £2.0m (£2.2m in 2019) on teaching areas and equipment. Other expenditure included IT, staff accommodation and support. Note 17 (page 36-39) to the accounts shows the allocation of assets to the various funds.

## Fundraising Performance

During the year the school was fortunate to receive substantial voluntary funding of £0.4m (£0.6m in 2019).

The school plans to build on the strong support offered by friends and supporters and a fundraising consultancy has produced a plan to improve further our development fundraising operation.

The trustees recognise the importance of maintaining the highest standards of practice and care in relation to fundraising activities. The school keeps donors informed through regular updates with all fundraising activity carried out by school staff. No complaints have been received. The school does not actively solicit financial support from members of the general public.

## Investment Powers, Policy and Performance

Investment powers are governed by the school's Charter and individual Trust Deeds. Endowed Funds are invested to preserve the real value of the endowment whilst maximising the income. Unrestricted Funds are invested to maximise total return within an acceptable degree of risk.

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The performance of the investment managers is monitored by the Investment Committee with the appropriate indices being used as a benchmark. The performance of the funds over the period has been broadly in line with the relevant benchmark.

The Composition of Fees Scheme, which provides for the payment of fees in advance, is segregated from the other funds of the school. This fund is invested so that the maturation profile is in line with the related liability to provide schooling in future years; the analysis of future liabilities is shown in note 14 (page 35).

## **Reserves Policy**

As at 31 August 2020, the Balance Sheet date, the school held Unrestricted Funds (excluding Designated Funds of £1.5m) totalling £36.9m. After deducting the net book value of the Unrestricted Fixed Assets, it has Free Reserves of £0.5m. The Governors have reviewed the level of funds held and have concluded that they are appropriate, particularly in the light of the funding requirements of the future major capital projects which have been identified in the Estate Masterplan review.

Endowed Funds held total £18.1m, Designated Funds held total £1.5m and Restricted Funds are £0.9m. Please refer to note 17 (pages 36-39) for further information regarding the various funds.

Council is satisfied that, subject to continuing monitoring, the cash flows are adequate to protect the School against identified and unidentified operating risks, fulfil our obligation to protect our historic estate and deliver of its capital expenditure plans.

Having reviewed the funding options available to the school together with the expected ongoing demand for places and the school's future projected cash flows, Council has concluded that the school has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting Policies on pages 19-22.

## **Principal Risks and Uncertainties**

Council is responsible for ensuring there are risk management processes that can identify the major risks and ensure that, where possible, they are managed. Council delegates the detailed oversight of risk to the Nominations and Governance Committee who, together with the senior leadership of the school, have considered the risks and these risks have been graded for the likelihood of their occurrence and the possible impact should they occur. For the major risks identified, the existing systems to manage those risks have been scrutinised. In each case, the individuals responsible for implementing the procedures and for keeping them under review have been identified with regular reports back to Council. For the major risks identified, Council has taken steps to manage those risks.

We continue to manage the risks associated with the pandemic. School arrangements to manage the risk of the pandemic from the point of view of the delivery of education as well as the obvious health and safety concerns have been extremely effective. We have taken appropriate advice, communicated regularly with our pupils, parents and staff and our risk reduction arrangements are published on-line. Having established appropriate health and safety procedures and protocols and ensured dynamic review of their operation, Council views the principal risk to be well managed. Our financial reserves and strong market position are considered sufficient to manage the effects of another forced closure and/or a period of economic recession.

# Haileybury and Imperial Service College

Council considers the economic turbulence of recent years and the affordability of fees by parents across the independent sector to be the principal risk faced by the school and fee increases are considered very carefully. Indeed, in view of the pandemic, a decision was taken to freeze fees for 2020/2021.

A reduction in pupil numbers is an associated principal risk faced by the school. This is actively managed by considering factors which may lead to a reduction in pupil numbers and taking remedial action where necessary. The success of recruitment despite the pandemic highlights the success of this strategy.

Political risk such as the imposition of VAT or the removal of rates relief have been considered and contingency plans are in place to allow the school to offer the same standard of education.

A risk to the education sector is the safeguarding of pupils and historic abuse claims. There are robust policies in place relating to child protection and there is also a committee of Council which has specific oversight of welfare and safeguarding.

Health and Safety is also a significant area for risk management and the Health and Safety Manager reports to the Finance and General Purposes Committee on a regular basis. A member of Council takes a special interest in Health and Safety.

## Accounting and Reporting Responsibilities

Council is responsible for preparing Council's Report and the Financial Statements in accordance with applicable law and regulations.

Charity law requires Council to prepare Financial Statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law, Council must not approve the Financial Statements unless it is satisfied that they give a true and fair view of the state of affairs of the charity and of its Net Incoming Resources for that period. In preparing these Financial Statements, Council is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable 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 charity will continue to operate.

Council is responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the Financial Statements comply with the Charities Act 2011.

Council is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by Council on 4 December 2020 and signed on its behalf by:

A J T Pilgrim  
Chairman of Council



R P Munn  
Treasurer



# Haileybury and Imperial Service College

## Consolidated Statement of Financial Activities

for the 13 Months Ended 31 August 2020

	Notes (pages 22-37)	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total 2020 £'000	Total 2019 £'000
<b>Income and Endowments from:</b>						
<b>Charitable Activities</b>						
School fees receivable	3	22,733	-	-	22,733	23,205
Ancillary trading income		472	-	-	472	566
<b>Other Trading Activities</b>						
Non-ancillary trading income	2	799	-	-	799	993
Other activities	4	226	-	-	226	34
<b>Investments</b>						
Investment income		50	391	34	475	738
Bank and other interest		58	-	-	58	45
<b>Voluntary Sources</b>						
Grants and donations		506	400	-	906	587
<b>Total Income</b>		<b>24,844</b>	<b>791</b>	<b>34</b>	<b>25,669</b>	<b>26,168</b>
<b>Expenditure on:</b>						
<b>Raising Funds</b>						
Non ancillary trading	2	334	-	-	334	549
Financing costs		106	-	-	106	(44)
Investment management		1	2	110	113	54
Fundraising		150	-	-	150	111
<b>Total Deductible Costs</b>		<b>591</b>	<b>2</b>	<b>110</b>	<b>703</b>	<b>670</b>
<b>Charitable Activities</b>						
Education		25,487	(17)	3	25,473	23,746
<b>Total Expenditure/(income)</b>	5	<b>26,078</b>	<b>(15)</b>	<b>113</b>	<b>26,176</b>	<b>24,416</b>
<b>Net Income/ (Expenditure) from Operations before Transfers and Investment Gains</b>						
		(1,234)	806	(79)	(507)	1,752
Gain/(Loss) on investments		(15)	(20)	(499)	(534)	435
Transfers between funds	8	581	(714)	133	-	-
<b>Net Income/ (Expenditure) and Capital</b>		<b>(668)</b>	<b>72</b>	<b>(445)</b>	<b>(1,041)</b>	<b>2,187</b>
<b>Net Movement in Funds for the Period</b>						
Fund balances brought forward at 1 August 2019		39,205	1,005	18,473	58,683	56,496
<b>Fund Balances Carried Forward at 31 August 2020</b>	17	<b>38,537</b>	<b>1,077</b>	<b>18,028</b>	<b>57,642</b>	<b>58,683</b>

All of the above income and expenditure relates to continuing activities.

# Haileybury and Imperial Service College

## Consolidated Balance Sheet

As at 31 August 2020

	Notes (pages 22-37)	Consolidated		Charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>FIXED ASSETS</b>					
Tangible assets	9	36,403	34,817	36,403	34,817
Investments	10	18,705	19,182	18,706	19,183
Fees in advance scheme investments	10	292	334	292	334
		<u>55,400</u>	<u>54,333</u>	<u>55,401</u>	<u>54,334</u>
<b>CURRENT ASSETS</b>					
Stocks	12	220	153	220	152
Debtors	13	1,861	946	1,183	958
Cash and deposits		12,987	10,453	12,538	10,166
		<u>15,068</u>	<u>11,552</u>	<u>13,941</u>	<u>11,276</u>
<b>CURRENT LIABILITIES</b>					
Creditors payable within one year	15	(13,189)	(7,450)	(12,164)	(7,302)
		<u>1,879</u>	<u>4,102</u>	<u>1,777</u>	<u>3,974</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>57,279</u>	<u>58,435</u>	<u>57,178</u>	<u>58,308</u>
<b>LONG-TERM ASSETS</b>					
Debtors receivable after one year	13	765	768	723	763
<b>LONG-TERM LIABILITIES</b>					
Creditors payable after one year	16	(402)	(520)	(402)	(520)
		<u>57,642</u>	<u>58,683</u>	<u>57,499</u>	<u>58,551</u>
<b>NET ASSETS</b>					
<b>ENDOWED FUNDS</b>	17a	18,191	18,472	18,191	18,472
<b>RESTRICTED FUNDS</b>	17b	911	1,005	911	1,005
<b>UNRESTRICTED FUNDS</b>					
Designated funds	17c	1,562	1,644	1,283	1,300
General funds	17d	36,978	37,562	37,114	37,774
		<u>57,642</u>	<u>58,683</u>	<u>57,499</u>	<u>58,551</u>
<b>TOTAL FUNDS</b>					

Approved by Council on 4 December 2020 and signed on its behalf by:

  
A J T Pilgrim  
Chairman of Council

  
R P Munn  
Treasurer

# Haileybury and Imperial Service College

## Consolidated Cash Flow Statement

for the 13 months Ended 31 August 2020

	Notes (page 38)	2020 £'000	2019 £'000
<b>Net cash inflow from operations</b>			
Net cash provided by operating activities	21	5,358	3,363
<b>Cash flows from investing activities:</b>			
Payments for tangible fixed assets net of NBV disposals		(3,123)	(3,400)
Additions to securities investments portfolio		(3,312)	(12,603)
Withdrawals from securities investments portfolio		2,980	12,773
Investment managers' fees		(113)	(54)
Investment Income and bank interest received		533	783
<b>Net cash used in investing activities</b>		<b>(3,035)</b>	<b>(2,501)</b>
<b>Cash flows from financing activities</b>			
Finance costs paid		(106)	45
<b>Net cash used in financing activities</b>		<b>(106)</b>	<b>45</b>
Change in cash and cash equivalents in the reporting period		2,217	907
Cash and cash equivalents at the beginning of period		11,181	10,274
Cash and cash equivalents at the end of the reporting period	22	13,398	11,181

# Haileybury and Imperial Service College

## Statement of Accounting Policies

for the 13 months Ended 31 August 2020

### Principal 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 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 2019.

The functional currency of the school is considered to be GBP because that is the currency of the primary economic environment in which the School operates. In the application of accounting policies, Trustees 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. In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in material adjustment to their carrying amounts in the next financial year.

### Going Concern Statement

Having reviewed the funding facilities available to the College together with the expected ongoing demand for places and the College's future projected cash flows, Council has reasonable expectation that the school has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

### Basis of Consolidation

The Charity figures in these Financial Statements include the accounts of the College Unrestricted Fund, Other Unrestricted Fund, Scholarships & Bursaries Funds, (including Haileybury Charitable Trust, HCT), Special Fund, Composition of Fees Scheme and the Imperial Service Endowment (ISE). Any interfund balances have been eliminated.

The consolidated Financial Statements incorporate the Financial Statements of the College and its trading subsidiary (HEL). Intra-group sales and profits are eliminated on consolidation.

Haileybury, acting by Council, are the Trustees of the ISE.

### Endowed Funds

Endowed Funds principally represent the current valuation of the original capital of ISE which was adopted as a special trust of Haileybury on 31 July 2000 under the terms of its existing trust deed. Council, as trustees of ISE, have the income available to make grants in accordance with the existing Trust deed. In addition, HCT represents funds permanently set aside to provide scholarships and bursaries with the income being available for this purpose and included in the Statement of Financial Activities (SOFA) as part of Restricted Funds. Any investment gains or losses on these funds are applied to the original endowment.

# Haileybury and Imperial Service College

## **Restricted Funds**

Restricted Funds include restricted monies raised from fundraising efforts for specific projects and also represent the Special Fund. The Special Fund is of subsequent creation and ancillary to the main purpose of the College, to provide books for the Library, memorial prizes and travel awards. The investment income from HCT is also included within Restricted Funds as is that of ISE.

## **Designated Funds**

Designated Funds represent certain funds set aside, pro tempore, from Unrestricted Funds by Council for specific purposes.

## **Unrestricted Funds**

Unrestricted Funds are those funds held for use in accordance with the Charter of the College but allowing the funds to be used as deemed appropriate. They also include funds in the Composition of Fees Scheme but these are segregated to ensure that future obligations can be met.

## **Incoming Resources**

School fees receivable represent amounts receivable for educational services provided. Charges for services and use of premises are accounted for in the period in which the service is provided.

## **Donations**

Donations received for the general purposes of the College are credited to Other Unrestricted Funds, to distinguish them from direct College income. Donations subject to specific wishes of the donors are carried to relevant Restricted Funds or to Endowed Funds where the amount is required to be held as permanent capital.

## **Resources Expended**

Expenditure is accounted for on an accruals basis. Certain expenditure not directly attributable to particular functional activity categories are apportioned on the basis of management estimates of the amount attributable to the activity in the year, by reference to staff time or usage. The irrecoverable element of VAT is included with the item of expense to which it relates.

Expenditure on raising funds includes the expenditure of the trading subsidiary Haileybury Enterprises and costs incurred in raising voluntary resources and finance costs.

Charitable Activities include costs related to teaching, welfare, premises, support, awards and prizes. All department costs which assist the primary objective of the college, being the provision of education, are included in the support category.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, audit and any legal advice for the Governors, and all costs of complying with constitutional and statutory requirements.

# Haileybury and Imperial Service College

## Finance and Operating Leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign operating lease are similarly spread on a straight line basis over the lease term. Leasing agreements, which transfer to the College substantially all the benefits and risks of ownership of an asset, are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over their lease term to their expected residual values.

## Pension Schemes

The College contributes to the Teachers' Pension Scheme at rates set by the Scheme Actuary and advised to the College by the Scheme Administrator. The scheme is a multi-employer scheme, as defined by FRS102, and accordingly has been accounted for as a defined contribution scheme. The College also contributes to a money purchase pension scheme, administered by the Pensions Trust, for support staff, at a maximum of five percent of annual basic pay. The College also contributes to some personal pension schemes.

## College Buildings and Equipment

### *Capitalisation and Replacement*

The original College land and buildings are carried at original purchase cost together with subsequent improvements as the Council consider it is not appropriate to apply a modern value to such property. The College is responsible for keeping these properties in fit and useful condition and these costs are written off as incurred, except where the expenditure provides an enhancement of the economic benefits of the asset or where a separately depreciating component of a tangible asset is replaced or restored.

Nonmaterial items are written off as expenditure upon acquisition.

## Depreciation

Depreciation has been provided on all assets (except land) since 1 August 1994. Depreciation is provided at rates to write off the excess of cost over estimated residual amount over their estimated useful lives as follows:

Freehold Buildings	50 or 100 years
Organ and Piano (included in Equipment and Machinery)	50 years
Fixtures and Fittings	5 - 10 years
Equipment and Machinery	4 to 10 years
Vehicles	4 or 5 years
Educational Equipment	5 years
Electronic Equipment	4 years
IT and Computers	3 - 5 years

An impairment review has been carried out on those assets with an estimated useful life of over 50 years and the Council is satisfied that having considered both realisable value and value in use their value has not been materially impaired.

# Haileybury and Imperial Service College

The current threshold for the capitalisation of expenditure is £1,500.

## **Current Assets**

Stock is carried at the lower of cost and net realisable value.

## **Composition of Fees**

In preparation of these accounts the benefit to parents is assumed to accrue on a straight line basis evenly over the period between receipt of the capital sum and the payment of the final liability.

## **Investments**

Investments are stated at fair value. Dividends are accounted for when received.

## **Total Return Investment Accounting**

A Charity Commission Order dated 21 October 2012 authorises the College to adopt a 'total return' basis for the investment of its permanent endowment. Under the Total Return Order, the College can invest its permanent endowments without regard to the capital/income distinctions of trust law and with discretion to apply any part of the accumulated total return on the investment as income for spending each year.

## **Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured as amortised 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 GBP at the balance sheet date at an appropriate year end and exchange rate.

# Haileybury and Imperial Service College

## Notes to the Accounts

For the 13 Months Ended 31 August 2020

### 1 Charity Results

	2020 £'000	2019 £'000
<b>Income and Endowments from:</b>		
<b>Charitable Activities</b>		
School fees receivable	22,733	23,205
Ancillary trading income	472	566
<b>Other Trading Activities</b>		
Non-ancillary trading income	66	71
Other activities	308	177
<b>Investments</b>		
Investment income	476	738
Bank and other interest	56	47
<b>Voluntary Sources</b>		
Grants and donations	521	845
<b>Total Income</b>	<b>24,632</b>	<b>25,649</b>
<b>Expenditure on:</b>		
<b>Raising Funds</b>		
Financing costs	99	(51)
Investment management	113	55
Fundraising	150	111
<b>Total Deductible Costs</b>	<b>362</b>	<b>115</b>
<b>Charitable Activities</b>		
Education	24,788	23,654
<b>Total Expenditure</b>	<b>25,150</b>	<b>23,769</b>
<b>Net Income from Operations</b>		
before Transfers and Investment Gains	(518)	1,880
Gains/(Losses) on investments	(534)	435
<b>Net Income and Capital</b>	<b>(1,052)</b>	<b>2,315</b>
<b>Net Movement in Funds for the Year</b>		
Fund balance brought forward at 1 August 2019	58,551	56,236
Fund Balances Carried Forward at 31 August 2020	57,499	58,551

# Haileybury and Imperial Service College

## 2. Trading Income

In the main this arises from HEL, a company wholly owned by Haileybury, which continues to supply services to the College and to carry out non-educational activities. The results of HEL for the year are as follows:

	2020 £'000	2019 £'000
Turnover	751	956
Cost of sales	<u>(267)</u>	<u>(546)</u>
Gross profit	484	410
Other operating income	2	1
Administrative expenses	<u>(350)</u>	<u>(267)</u>
<b>Operating Profit</b>	<b>136</b>	<b>144</b>
Interest payable and similar charges	<u>(8)</u>	<u>(9)</u>
<b>Profit on Ordinary Activities before Tax</b>	<b>128</b>	<b>135</b>
Tax on profit on ordinary activities	<u>(5)</u>	<u>(5)</u>
<b>Profit on Ordinary Activities after Tax</b>	<b>123</b>	<b>130</b>
Amount donated by gift aid to Haileybury	<u>(113)</u>	<u>(258)</u>
Retained profit/(loss) for the year after tax and gift aid	10	(128)
Retained profit brought forward at 1 August 2018	<u>132</u>	<u>260</u>
<b>Retained Profit Carried Forward at 31 August 2020</b>	<b>142</b>	<b>132</b>

N.B. The above figures reconcile to those on the Statement of Financial Activities as follows:

	2020 £'000	2019 £'000
Turnover, other operating income and interest receivable	751	957
Less: intra-group turnover, eliminated on consolidation	<u>-</u>	<u>-</u>
	751	957
External courses	(0)	1
Property income	<u>48</u>	<u>35</u>
<b>Non-Ancillary Trading Income per SOFA</b>	<b>799</b>	<b>993</b>

	2020 £'000	2019 £'000
Expenditure of HEL (inc. gift aid)	743	1,085
Less: intra-group turnover, eliminated on consolidation	<u>(278)</u>	<u>(507)</u>
	465	578
Less HEL expenditure included in other expenditure	<u>(131)</u>	<u>(29)</u>
<b>Non-Ancillary Trading Expenditure per SOFA</b>	<b>334</b>	<b>549</b>

# Haileybury and Imperial Service College

## 2. Trading Income (continued)

	2020 £'000	2019 £'000
Nets Assets of HEL at 31 August were	<u>143</u>	<u>132</u>

### Related Party Transactions

In the period, the college charged £171,077 (2019: £199,975) to HEL for the provision of staff and the administrative services. At the period end date HEL owed the College £137,052 (2019: £204,094). There were no other related parties' transactions in the period (2019: £nil).

## 3 Charitable Activities - School Fees Receivable

	2020 £'000	2019 £'000
<b>School Fees Receivable Comprised:</b>		
School fees	24,593	25,049
Less total scholarships, bursaries and allowances	(1,968)	(2,040)
	22,625	23,009
Add back: scholarships and bursaries paid for by restricted funds	108	196
	<u>22,733</u>	<u>23,205</u>

Scholarships, bursaries and other awards and allowances were paid to 229 pupils (2019: 220). Within this means-tested bursaries totalling £647,717 were paid to 61 pupils (2019: £577,000 to 55 pupils).

## 4 Other Activities

	2020 £'000	2019 £'000
Sundry sales and recovered costs	213	21
Miscellaneous income	<u>13</u>	<u>13</u>
	<u>226</u>	<u>34</u>

# Haileybury and Imperial Service College

## 5 Analysis of Expenditure

### (a) Expenditure on

	Staff costs £'000	Other costs £'000	Depreciation £'000	2020 £'000
<b>Raising Funds</b>				
Non ancillary trading	170	164	-	334
Financing costs		106	-	106
Investment management		113	-	113
Fundraising	65	85	-	150
<b>Total Costs of Raising Funds</b>	<b>235</b>	<b>468</b>	<b>0</b>	<b>703</b>
<b>Charitable Activities</b>				
<b>Education</b>				
Teaching	9,884	1,452	-	11,336
Welfare	663	1,814	-	2,477
Premises repair and maintenance	2,315	2,728	1,534	6,577
Support costs and governance	2,685	2,357	-	5,042
Awards and prizes	-	41	-	41
<b>Total Consolidated Expenditure</b>	<b>15,547</b>	<b>8,392</b>	<b>1,534</b>	<b>25,473</b>
<b>Total Expended</b>	<b>15,782</b>	<b>8,860</b>	<b>1,534</b>	<b>26,176</b>
<b>Charity Only*</b>	<b>15,613</b>	<b>8,500</b>	<b>1,534</b>	<b>25,647</b>

\* See note 1

### Staff Costs

2020 Staff Costs reflect the 13-month period whilst 2019 was a standard 12-month period. In addition, employers' contributions to the Teachers' Pension Scheme increased by 7.28% from 1 September 2019 (see note 7).

### Analysis of Expenditure Comparative Figures

#### Expenditure on:

	Staff costs £	Other Costs £	Depreciation £	2019 £
<b>Raising Funds</b>				
Non ancillary trading	210	339	0	549
Financing costs	-	(44)	-	(44)
Investment management	-	54	-	54
Fundraising	83	28	-	111
<b>Total Costs of Raising Funds</b>	<b>293</b>	<b>377</b>	<b>0</b>	<b>670</b>
<b>Charitable Activities</b>				
<b>Education</b>				
Teaching	8,723	1,318	-	10,041
Welfare	314	2,225	-	2,539
Premises repair and maintenance	2,316	3,691	1,019	7,026
Support costs and governance	2,108	1,800	-	3,908
Awards and prizes	-	232	-	232
<b>Total Consolidated Expenditure</b>	<b>13,461</b>	<b>9,266</b>	<b>1,019</b>	<b>23,746</b>
<b>Total Expended</b>	<b>13,754</b>	<b>9,643</b>	<b>1,019</b>	<b>24,416</b>
<b>Charity Only*</b>	<b>13,544</b>	<b>9,206</b>	<b>1,019</b>	<b>23,769</b>

# Haileybury and Imperial Service College

## 5 Analysis of Expenditure (continued)

### (b) Awards and Prizes

	2020 £'000	2019 £'000
<b>From Restricted Funds:</b>		
Bursaries and scholarships	12	114
Other Awards	(19)	16
<b>From Unrestricted/Designated Funds:</b>		
Bursaries and scholarships	53	82
Prizes and leaving awards	4	9
Other awards	(8)	11
	<u>42</u>	<u>232</u>

### (c) Governance included in support costs

	2020 £'000	2019 £'000
Auditors' remuneration:		
	37	35
For audit	2	2
Other services	<u>39</u>	<u>37</u>

Expenses were reimbursed to trustees, as follows:

	2020 No.	2020 £	2019 No.	2019 £
Travel	13	4,689	14	6,374

## 6 Employees' Remuneration, Trustees' Expenses and Auditors' Remuneration

The total staff costs, charged as an expense in the income and expenditure account, are:

	2020 £'000	2019 £'000
Wages and salaries	12,779	10,925
Social security costs	1,256	1,102
Pension contributions	1,962	1,317
	<u>15,997</u>	<u>13,344</u>
Other staff costs	452	410
	<u>16,449</u>	<u>13,754</u>

The average number of employees (FTE) in the period was 296 (2019: 304) out of which the average number of teaching employees (FTE) in the period was 108 (2019: 112).

The average number of employees in the period was 393 (2019: 396).

# Haileybury and Imperial Service College

## 6 Employees' Remuneration, Trustees' Expenses and Auditors' Remuneration (continued)

	2020	2019
Teaching	202	205
Welfare	14	14
Premises	118	118
Support	59	59
	£	£
	<u>356,102</u>	<u>335,652</u>
	£	£
Aggregate employee-benefits of key management personnel	<u>356,102</u>	<u>335,652</u>

The number of employees whose emoluments, as defined for taxation purposes (basic pay and benefits in kind), amounted to over £60,000 in the period was as follows:

	2020	2019
	No.	No.
£60,001 - £70,000	28	22
£70,001 - £80,000	8	8
£80,001 - £90,000	1	1
£90,001 - £100,000	3	4
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1
Over £120,001	<u>2</u>	<u>1</u>

Pension contributions of £340,803 were paid to the Teacher's Pension Agency in respect of 31 employees whose emoluments amounted to over £60,000. Pension contributions of £38,507 in respect of 4 employees were made to personal pension schemes, whose emoluments amounted to over £60,000. Pension contributions of £15,843 in respect of 2 employees were made to TPT Retirement Solutions, a company pension scheme, whose emoluments amounted to over £60,000.

During the period there were redundancy or termination payments made which amounted to £81,046. There were no amounts outstanding at the period end.

No trustees received remuneration during the year.

# Haileybury and Imperial Service College

## 7 Pension Scheme

### a Teachers Defined Benefit Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1.623m (2019: £1.015m) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020 and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

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

# Haileybury and Imperial Service College

## b The Pensions Trust's Growth Plan

Non-teaching staff are eligible to contribute to The Pensions Trust's Growth Plan. The plan is a multi-employer scheme, partly money purchase and partly with defined benefits. The College contributes at a rate between 2% and 10% of gross pensionable salary, together with an additional premium to meet an underfunded liability as advised by The Pensions Trust. It is not possible for the College to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for it as a defined contribution scheme. The scheme is classified as a "last man standing arrangement". Therefore, the College is potentially liable for other participating employer's obligations if those employers are unable to meet their share of scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. If the College were to leave the scheme it would have a liability to it. At August 2020 this liability would have been £981,188 (2019: £918,024). There is however no plan to leave the scheme, so this contingent liability has not been provided for in the accounts.

Contributions totalling £207,127 (2019: £230,854) were payable to these funds for the period.

A full actuarial valuation for the scheme was carried out at 30 September 2014 which was updated on the 30 September 2018. This valuation showed that the deficit reduced from £177m to £113m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme.

The College is committed to deficit repayments in relation to The Pensions Trust Growth plan of £56,675 per annum over a period of years 10 years from 1 April 2013. This amount is revised annually. In line with the requirements of FRS102, a liability of £170,191 (2019: £227,197) has been recognised in relation to this.

## 8 Transfers

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000
Inter group transactions	(235)	86	149
Fundraising grants	443	(443)	-
Charity commission loan repayments	(113)	-	113
ISE transfer	-	129	(129)
Scholarship and bursary awards	53	(53)	-
Heathgate rent	(17)	17	-
ISE income to Other Unrestricted Fund	450	(450)	-
<b>Total transfer</b>	<b>581</b>	<b>(714)</b>	<b>133</b>

These transfers arise as all intergroup transactions are excluded in the consolidated accounts. Where funds have been received or generated as restricted, for example as donations, when they are used the transfer from restricted funds to unrestricted reflects the reduction in the value of the restricted funds held. For example, the investment income arising in ISE is restricted, but once granted to the College it is unrestricted.

# Haileybury and Imperial Service College

## 9 Tangible Fixed Assets - Consolidated and Charity

	Land and buildings £'000	Fixtures and fittings £'000	Equipment and machinery £'000	Vehicles £'000	Total £'000
<b>Consolidated</b>					
<b>Cost</b>					
At 1 August 2019	40,552	1,895	4,950	419	47,816
Additions	554	1,681	673	215	3,123
Disposals	-	-	-	(13)	(13)
At 31 August 2020	41,106	3,576	5,623	621	50,926
<b>Accumulated Depreciation</b>					
At 1 August 2019	(8,254)	(751)	(3,645)	(349)	(12,999)
Charge for period	(805)	(260)	(430)	(42)	(1,537)
Disposals	-	-	-	13	13
At 31 August 2020	(9,059)	(1,011)	(4,075)	(378)	(14,523)
<b>Net Book Value at 31 August 2020</b>	<b>32,047</b>	<b>2,565</b>	<b>1,548</b>	<b>243</b>	<b>36,403</b>
Net book value at 31 July 2019	32,299	1,144	1,304	70	34,817
<b>Charity</b>					
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 August 2019	40,552	1,895	4,950	419	47,816
Additions	554	1,681	673	215	3,123
Disposals	-	-	-	(13)	(13)
At 31 August 2020	41,106	3,576	5,623	621	50,926
<b>Accumulated Depreciation</b>					
At 1 August 2019	(8,254)	(751)	(3,645)	(349)	(12,999)
Charge for period	(805)	(260)	(430)	(42)	(1,537)
Disposals	-	-	-	13	13
At 31 August 2020	(9,059)	(1,011)	(4,075)	(378)	(14,523)
	32,047	2,565	1,548	243	36,403
	32,299	1,144	1,304	70	34,817

Fixed assets under construction included in land and buildings is £476,840 (2019: £2,034,000), and in equipment and machinery is £nil (2019: £2,000).

The current valuation of buildings for insurance purposes is £282,554,753 (2019: £274,371,000).

Included in land and buildings above is land of approx 2 acres, in relation to which Haileybury has entered into a lessor agreement with Legends Tennis Academy. This agreement has a 65-year term of which 11.6 years have lapsed.

# Haileybury and Imperial Service College

## 10 Investments – Consolidated and Charity

	Composition of Fees	Composition of Fees	Investments	Investments
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Group Investments</b>				
Balance at 1 August 2019	334	126	19,182	18,614
New money invested	-	348	163	174
Reinvested income	8	0	297	298
Amounts extracted	(43)	(141)	(263)	(296)
Investment management fees	(1)	(0)	(98)	(62)
(Decrease)/increase in value of investments	(6)	1	(576)	454
<b>Group Investments at 31 August 2020</b>	<b>292</b>	<b>334</b>	<b>18,705</b>	<b>19,182</b>
Investments in Subsidiaries	-	-	1	1
<b>College Investments at 31 August 2020</b>	<b>292</b>	<b>334</b>	<b>18,706</b>	<b>19,183</b>
<b>Investments Comprise</b>				
Listed investments				
Fixed interest	289	333	2,072	2,269
Equities			14,844	14,683
Alternative assets			225	165
Unlisted securities			74	74
Commercial property funds			298	459
Commodities			241	287
Infrastructure			491	253
Other			52	264
Cash	3	1	408	728
Group investments	292	334	18,705	19,182
Investment in subsidiaries			1	1
College investments	292	334	18,706	19,183

The main investments and Fees in Advance Scheme investment deposits were managed for the College by Rathbones, Rothschild and Sarasins Investment Managers. The investments are actively managed and the performance is reviewed by the Investment Committee.

The investment management costs are charged to the endowed funds where they relate to the management of the endowed portfolio. The income arising from the endowed portfolio forms part of the restricted funds.

Included in investments are £74,135 shares held in unlisted securities.

# Haileybury and Imperial Service College

## 11 Statement of Investment Total Returns

The Governors have adopted a policy of total return accounting for the ISE No 1 Fund. The investment return to be applied as income is calculated with reference to the FTSE All Share Yield of the relevant investments. The frozen value of the endowment is annually uplifted by RPI together with all subsequent endowments valued at date of receipt.

	<b>Total £'000</b>
Investment total return	
Income distributions	-
Capital gains	(397)
Investment management costs	(60)
	<hr/>
Total return taken in the period	(457)
	<hr/>
Amount applied as income for spending	-
	<hr/>
Net decrease in unapplied total return recognised in the period	(183)
Unapplied total return as at 1 August 2019	5,085
	<hr/>
Unapplied total return as at 31 August 2020	4,902
	<hr/>
Preserved value of original permanent endowments	4,568
	<hr/>

## 12 Stocks

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Goods and property for resale	99	73	99	72
Consumables	121	80	121	80
	<hr/>	<hr/>	<hr/>	<hr/>
	220	153	220	152
	<hr/>	<hr/>	<hr/>	<hr/>

# Haileybury and Imperial Service College

## 13 Debtors

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
School fees	151	219	151	219
Trade debtors	821	192	6	18
Sundry debtors	184	38	184	38
Amount due from subsidiary company	-	-	137	204
Amount due from Lambrook	35	25	35	25
Prepayments and accrued income	670	472	670	454
Due within one year	<u>1,861</u>	<u>946</u>	<u>1,183</u>	<u>958</u>
Trade debtors	42	5	-	-
Sundry debtors	2	7	2	7
Amount due from Lambrook	<u>721</u>	<u>756</u>	<u>721</u>	<u>756</u>
Due after more than one year	<u>765</u>	<u>768</u>	<u>723</u>	<u>763</u>
Total debtors	<u>2,626</u>	<u>1,714</u>	<u>1,906</u>	<u>1,721</u>

Interest on the amount due from subsidiary company is charged at 2% over bank base rate.

The amounts due to Haileybury from Lambrook represent two interest free Charity Commission approved loans. There is security with a charge over property at Lambrook. The repayment was 50 years of which there are 33 and 31 years left.

# Haileybury and Imperial Service College

## 14 Composition of Fees Scheme

Parents may pay to the College up to seven years' fees in advance, which may be refunded subject to specific conditions on the receipt of one term's notice, assuming pupils remain in the College. Advance fees will be applied as follows:

	2020 £'000	2019 £'000
After 5 years	-	-
Within 2 to 5 years	115	290
Within 1 to 2 years	60	138
	<u>175</u>	<u>428</u>
Within 1 year (see note 15 below)	115	-
	<u>290</u>	<u>428</u>

The balance represents the accrued liability under the contracts with parents. The capital movements during the year were:

	Total £'000
Balance at 1 August 2019	428
New contracts	-
Amounts accrued to contracts	<u>428</u>
Amounts utilised in payment of fees to the College	(138)
Withdrawals	<u>290</u>
Balance at 31 August 2020	<u>290</u>

## 15 Creditors Payable Within One Year

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors, Fees in advance and finance leases	9,598	4,025	8,573	3,877
Taxation and social security	301	286	301	286
Other creditors and accruals	188	260	188	260
Composition of Fees due (see note 14 above)	115	138	115	138
Pupil fee deposits held	2,987	2,741	2,987	2,741
	<u>13,189</u>	<u>7,450</u>	<u>12,164</u>	<u>7,302</u>

# Haileybury and Imperial Service College

## 16 Creditors Payable After One Year

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Other creditors and accruals	227	230	227	230
Composition of Fees due (see note 14 above)	175	290	175	290
	<u>402</u>	<u>520</u>	<u>402</u>	<u>520</u>

## 17 Allocation of the Group Net Assets

		Fixed assets £'000	Investments £'000	Net assets £'000	Long term liabilities £'000	Fund Balances £'000
Endowed funds	17a	273	16,920	998	-	18,191
Restricted funds	17b	-	427	484	-	911
Unrestricted funds						
Designated funds	17c	-	1,282	280	-	1,562
General funds	17d	36,130	368	882	(402)	36,978
		<u>36,403</u>	<u>18,997</u>	<u>2,644</u>	<u>(402)</u>	<u>57,642</u>

## 17a Endowed Funds – Consolidated and Charity

	Balance 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/ (losses) £'000	Balance 31 August 2020 £'000
HCT	2,473	-	(15)	(68)	2,390
ISE	16,331	34	(98)	(134)	16,133
ISE total return transfer	(332)	-	-	-	(332)
	<u>18,472</u>	<u>34</u>	<u>(113)</u>	<u>(202)</u>	<u>18,191</u>

HCT represents funds permanently invested to provide scholarships and bursaries. ISE funds are principally the current valuation of the original capital which was transferred to H&ISC on July 2000. All investment gains and losses on these funds are applied to the endowment.

# Haileybury and Imperial Service College

## 17 Allocation of the Group Net Assets (continued)

### 17b Restricted Endowed Funds – Consolidated and Charity

	Balance 1 August 2019	Incoming resources	Resources expended	Transfers & investment gains/(losses)	Balance 31 August 2020
Scholarships, bursaries and allowances	999	411	15	(482)	943
H C T	1	23	-	(57)	(33)
I S E	5	357	(0)	(361)	1
	<u>1,005</u>	<u>791</u>	<u>15</u>	<u>(900)</u>	<u>911</u>

Grants and allowances include restricted monies raised from development efforts for specific projects, and also represent the Special Fund, set aside to provide books for the library, memorial prizes and travel grants. HCT restricted funds are the income from the endowed investments from which scholarships and bursaries are funded. ISE restricted funds represent investment income, from which the Council can make grants in accordance with the ISE trust deed.

### 17c Designated Funds – Consolidated and Charity

	Balance 1 August 2019	Incoming resources	Resources expended	Transfers & investment gains/ (losses)	Balance 31 August 2020
Designated Funds	1,300	42	-	(59)	1,283
H E L	344	753	(465)	(353)	279
	<u>1,644</u>	<u>795</u>	<u>(465)</u>	<u>(412)</u>	<u>1,562</u>

Designated Funds set aside from unrestricted funds to fund scholarships and bursaries. HEL represents the funds of Haileybury Enterprises Ltd, the trading subsidiary of Haileybury.

### 17d Unrestricted Funds – Consolidated and Charity

	Balance 1 August 2019	Incoming resources	Resources expended	Transfers & investment gains/(losses)	Balance 31 August 2020
Haileybury	37,231	23,552	(25,117)	980	36,646
Haileybury Total Return	332	-	-	-	332
	<u>37,563</u>	<u>23,552</u>	<u>(25,117)</u>	<u>980</u>	<u>36,978</u>

Unrestricted funds are held in accordance with the Charter of the College allowing the capital and revenue to be used as deemed appropriate.

# Haileybury and Imperial Service College

## 17 Allocation of the Group Net Assets (continued)

### Allocation of the Group Net Assets Comparative Figures for 2019

The net assets are held for the various funds and Composition of Fees as follows:

	Fixed assets	Investments	Net current assets	Long term liabilities	Fund Balances
Endowed funds	276	17,354	842	-	18,472
Restricted funds	-	454	551	-	1,005
Unrestricted funds	-	-	-	-	-
Designated funds	-	1,299	345	-	1,644
General funds	34,541	409	3,132	(520)	37,562
	<u>34,817</u>	<u>19,516</u>	<u>4,870</u>	<u>(520)</u>	<u>58,683</u>

### Endowed Funds - Consolidated and Charity

	Balance 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/(losses) £'000	Balance 31 July 2019 £'000
HCT	2,374	-	(13)	112	2,473
ISE	15,796	137	(43)	441	16,331
ISE total return transfer	(202)	-	-	(130)	(332)
	<u>17,968</u>	<u>137</u>	<u>(56)</u>	<u>423</u>	<u>18,472</u>

HCT represents funds permanently invested to provide scholarships and bursaries. ISE funds are principally the current valuation of the original capital which was transferred to H&ISC on July 2000. All investment gains and losses on these funds are applied to the endowment.

### Restricted Funds - Consolidated and Charity

The net assets are held for the various funds and Composition of Fees as follows:

	Balance 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/(losses) £'000	Balance 31 July 2019 £'000
Scholarships, bursaries and allowances	615	579	(19)	(176)	999
HCT	1	63	-	(63)	1
ISE	9	490	(6)	(488)	5
	<u>625</u>	<u>1,132</u>	<u>(25)</u>	<u>(727)</u>	<u>1,005</u>

Grants and allowances include restricted monies raised from development efforts for specific projects, and also represent the Special Fund, set aside to provide books for the library, memorial prizes and travel grants. HCT restricted funds are the income from the endowed investments from which scholarships and bursaries are funded. ISE restricted funds represent investment income, from which the Council can make grants in accordance with the ISE trust deed.

# Haileybury and Imperial Service College

## 17 Allocation of the Group Net Assets (continued)

### Designated Funds - Consolidated and Charity

	Balance 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/(losses) £'000	Balance 31 July 2019 £'000
Designated Funds	1,270	35	0	(5)	1,300
HE L	370	957	(578)	(405)	344
	<u>1,640</u>	<u>992</u>	<u>(578)</u>	<u>(410)</u>	<u>1,644</u>

Designated Funds set aside from unrestricted funds to fund scholarships and bursaries. HEL represents the funds of Haileybury Enterprises Ltd, the trading subsidiary of Haileybury.

### Unrestricted Funds - Consolidated and Charity

	Balance 1 August 2018 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/(losses) £'000	Balance 31 July 2019 £'000
Haileybury	36,061	23,907	(23,758)	1,020	37,230
Haileybury Total Return	202	-	-	130	332
	<u>36,263</u>	<u>23,907</u>	<u>(23,758)</u>	<u>1,150</u>	<u>37,562</u>

Unrestricted funds are held in accordance with the Charter of the College allowing the capital and revenue to be used as deemed appropriate.

## 18 Capital Commitments

Capital commitments amounting to £476,840 (2019: £1,245,402) existed at 31 August 2020, representing contracts entered into but not yet complete.

## 19 Operating and Finance Leases

At 31 August 2020 Haileybury has future minimum lease commitments under non-cancellable operating lease, as follows:

	2020 £'000	2019 £'000
Hire of land and buildings	1	1
Due within 1 year	<u>2</u>	<u>4</u>
Due within years 2 to 5	<u>3</u>	<u>5</u>

At 31 August 2020 there were no obligations under finance leases included in creditors and accrued charges.

# Haileybury and Imperial Service College

## 20 Financial Instruments

	2020 £'000	2019 £'000
Financial assets measured at amortised cost (a)	14,151	10,915
Financial assets measured at fair value (b)	18,997	19,516
Financial liabilities measured at amortised cost (c)	(8,439)	(6,965)

(a) Financial assets include cash, trade and fee debtors, staff loans, and other debtors

(b) Financial assets held at fair value include assets held as investments

(c) Financial liabilities include deposits, fees in advance, trade creditors and other creditors

# Haileybury and Imperial Service College

## Notes to the Consolidated Cash Flow Statement

For the 13 Months Ended 31 August 2020

### 21 Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Net incoming resources (expenditure)		(1,041)		2,187
Elimination of non-operating cash flows:				
Investment income	(534)		(783)	
Endowed donations			(45)	
Finance costs	106		5	
Corporation tax	-			
Investment management charges	113		55	
Depreciation charge	1,537		1,019	
Loss on sale of assets	-		528	
Investment losses (gains)	535		(435)	
Decrease/ (increase) in stocks	(67)		25	
(Increase)/decrease in debtors	(912)		374	
Increase / (decrease) in creditors (excluding fees in advance scheme and deposit)	5,513		(278)	
(Decrease) / increase in fees in advance scheme creditors	(138)		429	
Increase in pupil fee deposits	246		282	
	<u>246</u>	<u>6,399</u>	<u>282</u>	<u>1,176</u>
Net Cash inflow from operating activities		<u>5,358</u>		<u>3,363</u>

### 22 Analysis of Cash and Cash Equivalents

	2020 £'000	2019 £'000
Cash at bank	12,987	10,453
Cash held within investment portfolio	411	728
	<u>13,398</u>	<u>11,181</u>

# Haileybury and Imperial Service College

## Governing Board

for the 13 months Ended 31 August 2020

Mr G C Smith MA DipEd

Mr G W Staple CB QC

**Visitor** The Most Revd and Rt Hon The Lord  
Archbishop of Canterbury

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**President** The Rt Revd The Bishop of St Albans

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### Trustees and Members of Council

7 Mrs C F Avery MA PGCE NPQH  
11 Mrs S Beazley MA PGCE  
7 Mr A D Brown MA PGCE  
6, 12, 14, + Dr A Drewett JP BSc PhD  
5, 6, 15 Mr G A Ellison MA  
13, 14 Mr N D Gilbert BA  
9, 14, 15 Mrs J Gough OBE MA ACA  
11 The Revd Canon S Harvey MA PGCE  
NPQH  
12 The Revd P Hunt BA MA MTh  
6, 9, 11 Mr J C Lowe JP MA PGCE  
Mr R J G Madden MA ACA  
4, 5, 6, 8, 10, Mr R P Munn MA  
12, 14  
15 Mr T I Page-Ratcliff FNAEA  
7 The Revd D Peters MA BA DipTh  
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6, 11, 13, 14 Dr N P V Richardson MA PhD,  
PGCE  
7, 14 Mr S C Roberts MA  
2, 3, 14 Mr C N C Sherwood MA MBA MSc  
8, 10 Mr S W Urry LLB FCA (*Retired  
December 2019*)  
8, 10 Mr W D Walker-Arnott BA  
7 Mr S A Westley MA

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### Non-Council Governors

Mr R M Abel Smith  
Dr C B Challacombe MB BS MRCS  
LRCF  
Lord Clement-Jones CBE  
Dr E S Cleobury MA PhD  
Mrs M Evans BA  
5, 8, 10, + Mr M R B Gatenby MA FCA  
The Revd Dr A A Macintosh DD  
Mr D F Macleod FCA  
Sir Bruce MacPhail MA MBA FCA  
Mr C G Macpherson  
Sir Clive Martin OBE TD DL  
Mr I H McCorquodale MA  
General The Lord Ramsbotham GCB  
CBE

The Revd A J Templeman MA Dip Th  
The Revd The Hon P M Templeman MA BTh  
Mr J D Thornton BSc MA CEng MICE MCIQB  
Major General T P Toyne Sewell DL  
The Rt Hon Lord Trefgarne PC  
Mr J C G Trower MA  
Mr E I Walker-Arnott QC (Hon) LLM

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**Master** Mr M A R Collier MA (Oxon)

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**Bursar and  
Clerk to the  
Governors** + Mr R M Schofield BA FCA

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**Head of  
Finance** Mr J Grealy BA ACA

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### Denotes:

- 1 Chairman of Council
- 2 Chairman of Nominations and Governance Committee
- 3 Deputy Chairman
- 4 Treasurer
- 5 Member of Audit Committee
- 6 Member of Finance and General Purposes Committee
  
- 7 Member of Education Committee
- 8 Member of Investment Committee
- 9 Member of Nominations and Governance Committee
- 10 Trustee of the Haileybury Charitable Trust
- 11 Member of Safeguarding and Wellbeing Committee
  
- 12 Member of the International Board
- 13 Member of the Development Board
- 14 Member of the Executive Committee
- 15 Member of the Estates Committee
- + Director of Haileybury Enterprises Ltd

# Haileybury and Imperial Service College

## Advisers for the 13 months Ended 31 August 2020

<b>Bankers</b>	Not for Profit & Education, Commercial & Private Banking, NatWest 2nd floor, Argyll House, 246 Regent Street, London, W1B 3PB
<b>Investment Managers</b>	Rathbone Investment Management 8 Finsbury Circus, London EC2M 7AZ  Rothschild and Co New Court, St Swithin's Lane, London EC4N 8AL  Sarasin & Partners LLP Juxon House, 100 St Paul's Churchyard, London EC4M 8BU
<b>Solicitors</b>	Bird and Bird LLP 12 New Fetter Lane, London EC4A 1JP  Longmores Solicitors LLP 24 Castle Street, Hertford SG14 1HP  Veale Wasbrough Vizards LLP Narrow Quay House, Narrow Quay, Bristol BS1 4QA
<b>Auditors</b>	haysmacintyre 10 Queen Street Place, London EC4R 1AG
<b>Insurance Brokers</b>	SFS Group Limited Unit 21, Dean House Farm, Church Road, Newdigate, Surrey, RH5 5DL

# Haileybury and Imperial Service College

## Report of the Auditors

### Opinion

We have audited the financial statements of Haileybury Imperial Service College for the period ended 31 August 2020 which comprise the Group Statement of Financial Activities, the Charity and Group Balance sheets, 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 charity's affairs as at 31 August 2020 and of the group's net movement in funds for the period 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 Charities Act 2011.

### Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 Council for the financial statements

As explained more fully in the Council's responsibilities statement set out on page 15, the Council is 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 Council 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 Council is responsible for assessing the group's and the parent charity'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 Council either intend to liquidate the group or the parent charity 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# Haileybury and Imperial Service College

## 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 Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity'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 Council is responsible for the other information. The other information comprises the information included in the Council's 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.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, ; or
  - sufficient accounting records have not been kept; or
  - the parent charity financial statements are not in agreement with the accounting records and returns;
- or
- we have not received all the information and explanations we require for our audit.

This report is made solely to the charity's Council, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Council 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 charity's Council as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP.*

Haysmacintyre LLP  
Statutory Auditors  
Date: 22 December 2020

10 Queen Street Place  
London  
EC4R 1AG

Haysmacintyre LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006