

Annual Report & Accounts
for the Year Ended 31 August 2021



Haileybury

Haileybury and Imperial Service College

Annual Report for the Year Ended 31 August 2021

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Review of the Year Ended 31 August 2021

Introduction

This review for 2020/21 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 second year of global disruption has presented challenges but, as can be seen from the summary below, the Haileybury community has shown its resilience and collegiality, and has adapted and thrived as a result.

Despite the loss of seven weeks during the Easter term and a year spent working within Covid guidelines, the imaginative and positive mindset of both staff and pupils and the unwavering support of parents ensured that a great deal was achieved from an academic, pastoral and co-curricular perspective.

Pupil numbers in September 2020 were 878 (2019, 828) whilst the percentage of senior boarders remained above 70%. We have waiting lists in most year groups and numbers have increased once again into 2021/2022.

The academic results have been excellent this year and work continues to refine the curriculum and promote communication within lessons through collaboration with Oracy Cambridge. The Stan-X project, in its third year, continues to offer pupils of all ages the opportunity to engage in important medical research in collaboration with Stanford University.

Between January and early March 2021 education was once again delivered through the Haileybury Connected School. The on-line learning provision in its second incarnation was refined through detailed feedback from the experiences of pupils, parents and staff. Anecdotal reports reveal that pupils found the resource invaluable although they hope strongly there will be no need for it again.

The SciTech project gathered pace during the year. 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) or can follow design ideas through to manufacture. Pre-planning application responses were received over the summer and a full planning application was submitted in September 2021.

Over the summer 2021 Haileybury celebrated the renewal of its partnership with Haileybury Almaty and Haileybury Astana. The partnership with Haileybury Bangladesh has developed and the school is scheduled to open in 2022. The process has been so successful that a second school in Bangladesh is being considered.

Thankfully, the second period of our closure was shorter than the first. However, we recognise the toll the pandemic has taken on young people, their parents and our staff. The community has shown remarkable courage and resilience, and wellbeing will be high on the agenda at Haileybury for 2021/2022 and beyond.

Public Benefit

Public benefit remains a top priority. To have as great an effect as possible on the education of local young people, Haileybury has maintained the significant 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 continue to grow as part of our commitment to widening access to education.

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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, legal 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 current Chair of the Finance Committee is a Haileybury parent and current Haileybury Governor. The Bursar also sits on HT's Finance Committee.

The Covid 19 pandemic inevitably had a significant impact on the day-to-day partnership opportunities between Haileybury and HT. Teaching staff shared experiences and good practice in working remotely, while Haileybury supported the academy in its online provision, where appropriate.

When the schools were operating in the 2021 summer term, HT students joined those from Haileybury in a science research week, a successful initiative to be extended in anticipation of the school's new Science and Technology Centre.

The Senior Leadership Teams at both schools now meet half-termly and take a strategic lead on the partnership, ensuring this is embedded in every area of both schools' lives.

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

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, remotely, by staff from both schools. Pupils at HT 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. The Haileybury Grounds and Gardens staff also help with maintenance at HT, making a considerable and much appreciated difference to the appearance of the HT site.

Safeguarding and Wellbeing

The wellbeing of pupils and staff has been a significant focus. Over the summer 2021 a Wellbeing Centre was created, staffed by a manager and assistant. The Centre opened in September 2021 and is proving very popular with pupils and their parents. Following the appointment of Dr Laura Pugsley as Deputy Head (Safeguarding and Wellbeing) last year, a third permanent counsellor has been added to the staff. The counsellors operate from the top floor of the Wellbeing Centre and collaborate closely with the Medical Centre which is located next door.

Our Safeguarding and Wellbeing agenda has been thrown into new light during the pandemic and ensuing lockdowns. A national increase in youth mental health concerns has necessitated consideration of our wellbeing provision and our support structures for both pupils and staff. As such, our expanded counselling team, adds capacity for caseloads as well as for supervision of key pastoral staff. Additionally, we have appointed a Wellbeing Centre Manager and Wellbeing Assistant who will support the running of the Wellbeing Centre. Pupil and Staff Wellbeing strategy groups, chaired by Dr Laura Pugsley, have driven the strategic aims and development plans for the coming year(s). Over the past two years, we have taken part in the Hertfordshire County Trailblazer scheme for Mental Health Support Teams in schools. We now have an allocated Educational Mental Health Practitioner (NHS funded) who is working one day a week at Haileybury, to support pupils and staff.

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Whilst a planned mock ISI inspection in June was unable to fully go ahead given Covid restrictions, all Safeguarding and Child Protection policies and procedures were examined remotely and deemed compliant and fit for purpose. We are in the process of commissioning a further external audit of our Safeguarding practices for the Autumn Term 2021.

The Everyone's Invited platform, raised the issue of peer on peer sexual harassment and violence in and out of schools. The Master and Dr Laura Pugsley devised an action plan to address these issues in our School and spoke with large numbers of (predominantly female) pupils and colleagues to gain a sense of the level of concern and issues to be addressed at Haileybury. This work is ongoing.

Pupil voice has been significant over the course of the year, and will remain so. A pupil-led Pride Alliance, to support LGBTQ+ pupils, as well as the House Diversity and Inclusion Teams, will further our Diversity and Inclusion agenda, with pupil engagement at the centre.

Academic

At GCSE, a third of all grades were awarded at grade 9; 60% of grades were awarded at 9/8 (A*) with 84% 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. Twelve pupils secured straight A*/9 grades.

Haileybury pupils achieved an average score of 39 for the International Baccalaureate Diploma Programme – the equivalent of A*AAA at A level. This average points score is the joint highest in the School's history, with a markedly larger cohort in 2021. 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 70% of grades awarded at A* or A, and over 90% of grades awarded between A* and B.

The results mean that three quarters of all grades achieved by Sixth Form pupils this year were at A or A* level, or equivalent, and 95 % of all Sixth Form grades were A*-B.

As of September 2020, nearly 100% of our pupils have a pathway beyond school that is of their choice. The vast majority (95%) have enrolled in a university of their choice, including Oxford and Cambridge; 72% of all UK university admissions have been to a Russell Group University. Those pupils who have not attended university this year are either taking gap years or have progressed into apprenticeships or the world of work.

Curriculum 2025 has been further implemented this year, which promises to bring an exciting, innovative and intellectual dimension to the learning of our pupils. This has focused primarily on the delivery of the curriculum to pupils in LS1-Removes. Equally, we have launched our curriculum collaboration with Oracy Cambridge: this will see us actively promote voice and communication within lessons. Our pupils continue to be involved in Stan-X, a collaborative research project that sees them working with Stanford University in California as well as the University of Oxford. We also welcomed one teaching Fellow from Princeton this year as we continue to establish a link with the university.

Outreach Activities

Due to Covid, pupils were unable to perform any off-site community action and instead completed an online award.

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.

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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 Barracudas, 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

Curricular and co-curricular sport was wonderfully well arranged via a Google site with interactive activities throughout lockdown(s) for all sports and all pupils.

Cricket was one of the sole survivors of Covid. Our teams had a terrific season for seven weeks, until Covid affected matches at the end of term. The First XI beat top sides such as Bedford and Wellington and the U14 were ranked first in the country at half term; they won the county cup to qualify for the national stages in 2022.

Girls' cricket was launched and it was fantastic to see the programme bedding in and the girls enjoying a season for seven weeks. Girls' junior football also went particularly well with the teams playing for the first time on Terrace.

A highlight of the year overall was the Netball national final which was delayed by 12 months. Our U12s won the title to claim our second national title in two years.

Music

The work of the music school has remained strong through another unusual year. Nearly 40 % of all pupils took an instrumental or singing lesson, with over 500 of these offered throughout the week. In line with its strategic objectives, the department appointed heads of section in choral music and voice (Mr Andrew O'Brien), jazz and popular music (Mr Kyle Shiels), keyboard (Mr Gabriele Baldocci), strings (Mrs Emily Groom), and wind (Ms Sue Gill). An organ fellow (Mr Hugh Rowlands) was also appointed to begin in the following academic year. The work of these individuals in strengthening and advancing their core areas has proved invaluable.

For much of the year, ensembles met in small year-group formations. Over 50 ensembles rehearsed each week, with a burgeoning of often brilliant music-making. String trios and quartets formed for the first time in some years and year-group choirs sang regularly for in-person and recorded Chapel services.

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A particularly wonderful recorded service for Easter saw the multiple choirs and brass ensemble joined together for the first time in over a year. Other groups included a new and popular initiative for changing boys' voices. Outreach events continued to take place online, with many prep schools responding positively to a new Haileybury Young Musician of the Year initiative. 127 pupils took part across the two events.

All concerts throughout the academic year were either recorded or live-streamed, allowing a much larger audience to access the many brilliant performances given by groups and individuals. Regular soloists' concerts sat alongside new initiatives such as a recorded Crash into Christmas event, a recital for Beethoven at 250, and a concert celebrating the works of female composers.

Drama

Drama was well sustained during the Connected School despite the obvious challenges created by 'online drama'. Excellent use was made of digital resources such as Drama Online and Digital Theatre + alongside the various theatrical streaming services, which became available. Google Classroom/ Google Meet were used well to maintain regular contact and ensure work was set and received. New schemes and projects were created to embrace online learning such as practitioner enquiries, video projects and theatre reviews.

Remarkably, we were able to sustain significant practical drama output and provide opportunity for most year groups to perform, in spite of lockdown restrictions. The year began with a 'radio' broadcast of Dylan Thomas' Under Milk Wood, excellently brought to life by a carefully distanced cast of Upper and Lower Sixth Formers. This was recorded and live streamed from the Ayckbourn Theatre, even 'zooming in' two actors using iPads on tripods after they were forced to self-isolate during show week. The many characters and rich language provided an excellent opportunity for vocal characterisation and exploration.

Removes and Middles pupils were treated to a double bill of Ayckbourn plays in the Ayckbourn Theatre, something we have long intended to produce as an homage to our theatre's namesake. Confusions (for Middles) and Gizmo (for Removes) were both staged using a revolving stage and were well acted, demanding sustained naturalistic through-lines from the actors and excellent comic timing.

Our plans for a spectacular summer of Theatre and Arts were sadly cut short and Shakespeare's The Tempest (Removes, Middles & L6) alongside Emma Reeves' Hetty Feather (for the Lower School) were unable to go ahead in the Big Top as intended in June. Despite some disappointment for the cast of The Tempest, they had nevertheless explored and prepared the challenging text, taking many valuable lessons from the process. I am extremely pleased that Hetty Feather has been able to take place this autumn, in a Big Top as originally planned to thrilled audiences and with delighted cast members. Our perseverance with this project has been well worth the effort.

In other areas of the Dramatic Arts, LAMDA pupils have now tripled in the last two years, with over one hundred enrolled in LAMDA tuition and recent exam results of 94% at the highest level of distinction and 100% at merit and above. The delivery of LAMDA has been brought back 'in house' following a natural separation from Exam Stars who made a very good provision over the last two years. Nicki Walley has been appointed as 'LAMDA Coordinator' and has made an excellent start in post.

Dance has been made available on four days of the week and features as a sports option for two out of three terms. Activities are flourishing with Haileybury TV (HTV) now established, alongside the existing 'Theatre Technical Unit' (TTU) and plans for a 'Creative Arts Programme' to be offered starting Sept 2022. The Creative Arts Programme aims to bring together exciting elements from Music, Art and Drama including circus skills, stage combat, screen printing, textiles, music technology and recording.

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Lower School and Removes drama clubs are offered, alongside four annual theatre productions. We have appointed a fantastic new teaching fellow Emma Denly who has made a super start and created a Director in Residence role with Charles MacVicar first in post. The offer for Drama Scholars has been developed and improved to include subsidised LAMDA and Dance and mentoring from the Director of Drama and Director in Residence. The department is well staffed with exciting plans and set to further flourish in the coming years.

Art

Pupils working in the Art School have continued to benefit from bespoke workshops provided on a weekly basis. These have mainly been organised and run by our Art Fellow, however individual teachers have also run workshops in their subject specialism. The Art Fellow has become an integral part of the Art School; pupils have responded well to the advice and feedback provided and enjoy being able to see work being created in real time. It has helped pupils understand the creative process and slow down their working to create higher quality pieces of work. We are also seeing a greater number of pupils attending the Art School outside of lesson time.

Pupils are continuing to use specialist equipment to develop their proficiency in a wide range of media. Lower Sixth pupils explored etching and oil painting as part of a skills-based rotation in the first term. The strong skills-based foundations that were built have enabled the pupils to produce confidently developed work that is of a high standard. IB pupils have produced a series of exciting and sophisticated screen prints, which will be displayed around the School in time. The A level Upper Sixth pupils benefitted from their own studio space over the year which allowed them greater ownership over their work. As a result, we have seen an increased engagement and pupils pushing the boundaries.

In the absence of school trips, the department made use of virtual exhibitions and Google Arts and Culture to provide a virtual experience to pupils. Sixth Form pupils attended the London Art Fair virtually and have made consistent use of HIKS to provide contextual input.

Despite restrictions, we made use of virtual exhibitions to exhibit pupil artwork. Feedback was overwhelmingly positive and we will consider how best we can continue to use virtual platforms in conjunction with physical displays of work. Whilst the Speech Day art show was cancelled, we were able to create a QR code virtual art trail. Codes were printed onto fabric and displayed in embroidery hoops around the site. Scanning the code provided access to a virtual exhibition of pupil work and the Haileybury Art School website where all work was displayed.

CCF

This was a year significantly affected by Covid and MOD restrictions on training, particularly off-site. The October field training was reduced to one day and a Middles only exercise and the entire second term was conducted remotely, with a range of attempts to engage the cadets at home with varied success. A new approach of providing guest speakers via webinars was extremely successful and the highlights were webinars with the Commander of the British Army's Apache Attack Helicopter Force, and a female typhoon pilot flying with the Quick Reaction Alert. The summer camp, due to take place on site this year and in the unusual slot, two weeks before the end of term, was cancelled. The recently formed CCF Band was hardest hit with no rehearsals taking place all year. Despite significant disruption and omnipresent but effective Covid measures, all three sections were nonetheless able to provide outstanding routine training and opportunities for our young people to develop the all-important life skills that the CCF promises to deliver. There were developments too: five new paintball guns were purchased which will allow for yet more varied training and in addition, five new air rifles with associated equipment were also purchased during the summer allowing for increased use of the CCF's permanent outdoor air rifle

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range. An office on the first floor of the CCF HQ for the Contingent Commander was commissioned and completed in late summer.

Conservation Work

Last year was a very difficult year for beekeeping. Initially, when the lockdown started, the hives were left to themselves for a short time. This gave the bees the chance to revert back to natural instincts enabling them to produce natural comb which is almost impossible to manage as a beekeeper. This has provided some very interesting things for the pupils to see inside the hives which would only be seen if you could look inside a wild honey bee colony which is very rare these days. Haileybury honey will be a rare commodity this year so getting our bee colonies back into fully functioning, easily managed hives is high on the list of priorities.

The apiary had also been neglected so our main focus this academic year is restoring the site to its former glory which was described by the National Bee Inspector as 'one of the nicest he had visited'. The Queen's Commonwealth Forest Canopy project will also form part of the activity this year as we aim to plant a copse of oak trees which have been grown from acorns collected underneath Lightning Oak. Growing these trees has taken many years of dedicated effort to get the oak saplings to a stage where they have a good chance of survival when they are planted out.

The year ahead will be busy and enjoyable as beekeeping remains a popular activity choice for Sixth Form pupils while also attracting interest from pupils and staff across the campus.

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).

There are plans to open Haileybury schools in other countries. Contracts have been signed to support new schools in Malta and Bangladesh. Haileybury Malta plan to open in September 2022 with a limited number of primary and lower secondary classes and will eventually become a school for pupils from three to eighteen years of age. Haileybury Bhaluka plan to open in 2022 with a limited number of lower secondary classes and will eventually become a school for boys from eleven to eighteen years of age.

Haileybury Estate

The SciTech project 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.

A considerable number of projects were completed on the site over the summer. This includes the completion of the Form Room Building refurbishment and the refurbishment of Lawrence House and its conversion to a girls' Boarding House. We also started the repair works to the Chapel roof and interior, completed some vital structural repairs to Allenby and started the programme of works to improve the drainage and irrigation of our sports pitches.

Sustainability is a School priority. The Deputy Master is enrolled on Postgraduate Certificate in sustainable business and a pupil /staff Sustainability Committee has been formed. LED lighting has been adopted and the new SciTech building will use ground source heating and is timber framed. Next year

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the focus will be on food waste, energy usage, green energy, water consumption, green travel and the use of lights on campus.

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 the disruption and adverse financial effects of a second year of pandemic, by every measure the underlying health of the School is secure. Pupil numbers are stable and demand for places is high. Through the Connected School and emphasis on wellbeing, Haileybury's teachers and support staff have continued to ensure that our pupils come first. We have developed further our partnerships internationally and with Haileybury Turnford. Haileybury is known for the breadth and strength of its community which has grown even stronger as we have worked together in adversity.

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Council's Report of the Year Ended 31 August 2021

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.

We support our pupils' wellbeing through a clear pastoral framework and dedicated resources.

The future plans of the School are referenced throughout the Review of the Year and Council's Report.

Structure

Haileybury and Imperial Service College was established under a Royal Charter of Incorporation dated 30 August 1864, to run as a place of education. The School is in the process of updating the Royal Charter.

It 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 41.

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.

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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 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 and additionally as required.
- Education Committee – meets three times a year to consider academic matters.
- Safeguarding and Wellbeing Committee – meets three 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 and Risk Committee – meets termly to review the audit plan, audit report, statutory accounts and the risk register.
- Development Committee – meets termly and additionally as required.
- International Committee – meets termly and additionally as required.
- Remuneration Committee – meets twice a year and additionally as required.

Membership of these committees is given on page 41. 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
- Mr S Westley - Haileybury Turnford
- Dr A Drewett - Health and Safety

Remuneration for senior staff and any whole staff pay award is agreed by Council, with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and

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responsibly individual contributions to the School's success. Due regard is also given to the external market.

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 42.

Financial Review

Please note that the accounts reference period is for the 12 months to 31 August 2021 whilst the comparatives are drawn up for the 13 months to 31 August 2020. For comparative purposes, the different length of reference period has no effect on fee income but will effect time apportioned income and expense accounts of which employment costs is the most material.

The Consolidated Statement of Financial Activities shows a net surplus of £4.9m (2020 £1.0m net deficit). If the investment gain of £3.65m is excluded, the net income is £1.25m (2020 £0.5m net expenditure) which was in line with budget. As a result, consolidated total funds increased to £62.5m (2020 £57.6m).

Cash at bank at the year-end was £11.1m (2020 £13m) after purchase of capital additions of £4.9m (2020 £3.1m). Cashflow is actively managed and debt collection procedures are effective. However, as in all independent schools receiving fees three times a year, our year-end position represents the highest point in our cash cycle. The lowest point is approximately £5.5m lower than the year-end balance.

Once again, the results for the year have been affected significantly by the pandemic. The government closed all schools before the start of the Easter term 2020 as part of a national "lock-down" in response to the Covid-19 pandemic. As a result, the School decided that it was fair and consistent to provide the same level of fee reductions offered to parents during the first lockdown of 2019. The rationale for the fee reductions was 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. As a result, the fee for all pupils was reduced to the equivalent of 85% of the day fee for the period of closure. The lockdown was lifted on 8 March 2021 allowing normal school for the last three weeks of the Easter term. In financial terms the fee reduction represented a £2.1m gross fee reduction for the term. In addition, we incurred additional operating costs related to Covid protocols such as overtime and consumables. 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". No teaching staff were furloughed. The School made up the earnings of all furloughed employees to 100%. To reward the outstanding commitment and dedication of all staff during this period, the governors awarded a one-off financial bonus in May to all members of staff.

Income from the trading subsidiary (Haileybury Enterprises Limited) benefitted from new relationships with partners in Malta and Bangladesh to open schools in those countries in addition to our two partner schools in Kazakhstan. Our facilities were closed to public use for the majority of the year reducing our normal level of revenue from this source.

The principal funding source for the charity is fee income which amounted to £23.4m (£22.7m in 2020) – please note that both figures are affected by fee reductions offered. Cost control is of paramount importance and the school strives to maximise the value obtained from all expenditure.

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Assets

Council approved the planning of a new science facility known as SciTech. In addition to new teaching and laboratory areas, the facility will focus on scientific research. A great deal of progress was made despite the pandemic and an application for planning permission has been submitted. Finance for the new building will come from a combination of existing unrestricted funds, development fundraising and term loans.

The second and final phase of the Form Room Building refurbishment was completed in August 2021 ready for the new year, improving significantly the teaching spaces and the building's structural integrity whilst respecting the value of the building in heritage terms.

The School's strategic aim is for an equal pupil gender mix. There is a great deal of demand for girls' places at Haileybury. To ensure sufficient capacity is available to support the strategy, Lawrence Boarding House was converted from boys' to girls' boarding. We now have six boys' houses and six girls' houses.

Haileybury Wellbeing Centre was established and staffed over summer 2021 ready for the new year. The Centre houses three counsellors and offers a place for pupils who want to take a little time away from regular activities. This development continues the significant investment already made in medical and pastoral provision.

A new strength and conditioning gym was created by converting unused squash courts.

During the year the school invested £4.9m (£3.1m in 2020) in fixed assets of which £1m was related to pupil accommodation (£0.5m in 2020) and £1.35m (£2.0m in 2020) on teaching areas and equipment. Note 17 (page 35-38) to the accounts shows the allocation of assets to the various funds.

Fundraising Performance

During the year the School was fortunate to receive significant voluntary funding of £300k (£408k in 2020).

A Development Director, reporting to the Master, was appointed to lead on fundraising strategy. The Development Director is establishing a department which will lay the foundations for secure and regular financial support from the wider Haileybury community in the coming years.

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. The School does not actively solicit financial support from members of the general public. The School is also developing an Ethical Fundraising Policy which will inform and govern its fundraising strategy.

Investment Powers, Policy and Performance

Investment powers are governed by the School's Charter and individual Trust Deeds. Haileybury aims to balance the needs of current and future pupils for whom the endowed and restricted funds are held. As a result, the majority of funds are invested to maximise total return (aggregate of income and capital growth). Income is drawn prudently according to an agreed formula that preserves capital whilst providing sufficient funds.

Haileybury and Imperial Service College

Investment income in 2021 was £342k (2020 £475k). Investment gains amounted to £3,653k (2020 (£534k)).

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 33).

Reserves Policy

As at 31 August 2021 the School held Unrestricted Funds of £39.7m (see note 17). Free unrestricted reserves (which exclude the value of fixed assets) are £0.4m. The Governors have reviewed the level of funds held and have concluded that they are appropriate to meet future plans.

The School holds endowed funds of £21.6m and restricted funds of £1.3m. In addition, the school has designated funds of £2.4m divided between HEL and bursary provision. Please refer to note 17 on page 35-38 for further information regarding the various funds.

Funding for the SciTech project will come from the School's unrestricted cash reserves, an overdraft facility and a term loan. A financing arrangement will be in place prior to the start of construction (planned for May 2022).

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 identifying the major risks and ensure that, where possible, they are managed. Council delegates the detailed oversight of risk to the Audit and Risk Committee who, together with the senior leadership of the School, consider the risks and grade risks 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 are scrutinised. In each case, the individuals responsible for implementing the procedures and for keeping them under review are identified with regular reports back to Council. For the major risks identified, Council has taken steps to ensure these risks are managed.

The School continues to manage the risks associated with the pandemic. The School is open for business and we began 2021/2022 with our highest ever pupil roll. 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. The School has taken appropriate advice, communicated regularly with its pupils, parents and staff and its risk reduction arrangements are published online. Having established appropriate health and safety procedures and protocols and ensured dynamic review of their operation, Council views the principal risks to be well managed. The School's 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

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 a sub-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 10 January 2022 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 Year Ended 31 August 2021

	Notes (pages 23-38)	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000	Total 2021 £'000	Total 2020 £'000
Income and Endowments from:						
Charitable Activities						
School fees receivable	3	23,434	-	-	23,434	22,733
Ancillary trading income		715	-	-	715	472
Other Trading Activities						
Non-ancillary trading income	2	1,509	-	-	1,509	799
Other activities	4	294	-	-	294	226
Investments						
Investment income		35	280	27	342	475
Bank and other interest		10	-	-	10	58
Voluntary Sources						
Grants and donations		314	274	-	588	906
Total Income		26,311	554	27	26,892	25,669
Expenditure on:						
Raising Funds						
Non ancillary trading	2	231	-	-	231	334
Financing costs		9	-	-	9	106
Investment management		2	3	91	96	113
Fundraising		104	-	-	104	150
Total Cost of Raising Funds		346	3	91	440	703
Charitable Activities						
Education		25,192	2	2	25,196	25,473
Total Expenditure	5	25,538	5	93	25,636	26,176
Net Income/(Expenditure) from Operations before Transfers and Investment Gains						
		773	549	(66)	1,256	(507)
Gains/(Loss) on investments		188	85	3,380	3,653	(534)
Transfers between funds	8	201	(292)	91	-	-
Net Income/(Expenditure)		1,162	342	3,405	4,909	(1,041)
Net Movement in Funds for the Period						
Fund balances brought forward at 1 September 2020		38,540	911	18,191	57,642	58,683
Fund Balances Carried Forward at 31 August 2021	17	39,702	1,253	21,596	62,551	57,642

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

Haileybury and Imperial Service College

Consolidated Balance Sheet

As at 31 August 2021

		Consolidated		Charity	
	Notes (pages 23-38)	2021 £'000	2020 £'000	2021 £'000	2020 £'000
FIXED ASSETS					
Tangible assets	9	39,651	36,403	39,651	36,403
Investments	10	22,560	18,705	22,561	18,706
Fees in advance scheme investments	10	176	292	176	292
		62,387	55,400	62,388	55,401
CURRENT ASSETS					
Stocks	12	156	220	156	220
Debtors	13	1,968	1,861	1,556	1,183
Cash and deposits		11,134	12,987	10,148	12,538
		13,258	15,068	11,860	13,941
CURRENT LIABILITIES					
Creditors payable within one year	15	(13,364)	(13,189)	(12,985)	(12,164)
NET CURRENT ASSETS/(LIABILITIES)		(106)	1,879	(1,125)	1,778
TOTAL ASSETS LESS CURRENT LIABILITIES		62,281	57,279	61,263	57,179
LONG-TERM ASSETS					
Debtors receivable after one year	13	726	765	708	723
LONG-TERM LIABILITIES					
Creditors payable after one year	16	(456)	(402)	(456)	(402)
NET ASSETS		62,551	57,642	61,515	57,499
ENDOWED FUNDS					
RESTRICTED FUNDS	17a	21,596	18,191	21,596	18,191
UNRESTRICTED FUNDS	17b	1,253	911	1,253	911
UNRESTRICTED FUNDS					
Designated funds	17c	2,380	1,562	1,344	1,283
General funds	17d	37,322	36,978	37,322	37,114
TOTAL FUNDS		62,551	57,642	61,515	57,499

Approved by Council on 10 January 2022 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 Year Ended 31 August 2021

	Notes (pages 39-40)	2021 £'000	2020 £'000
Net cash inflow from operations			
Net cash provided by operating activities	20	2,915	5,359
Cash flows from investing activities:			
Payments for tangible fixed assets		(4,930)	(3,123)
Additions to securities investments portfolio		(8,570)	(3,313)
Withdrawals from securities investments portfolio		8,761	2,980
Investment managers' fees		(96)	(113)
Investment Income and bank interest received		352	533
Net cash used in investing activities		(4,483)	(3,036)
Cash flows from financing activities			
Finance costs paid		(9)	(106)
Net cash used in financing activities		(9)	(106)
Change in cash and cash equivalents in the reporting period		(1,577)	2,217
Cash and cash equivalents at the beginning of period		13,398	11,181
Cash and cash equivalents at the end of the reporting period	21	11,821	13,398

Haileybury and Imperial Service College

Statement of Accounting Policies

for the Year Ended 31 August 2021

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 Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (2nd edition) 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 funds available to the School together with the expected ongoing demand for places and the School'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.

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

Haileybury and Imperial Service College

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 School 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.

The School takes a prudent view. The original endowment and endowment loan repayments are notionally increased by the RPI and ring-fenced; gains above this level are treated as unapplied total return. For prudence, 50% of the unapplied total return is not treated as available. The remaining 50% is available to make up the actual income received by the School to the equivalent of the level that would have been received using the FTSE All Share index.

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 Year Ended 31 August 2021

1 Charity Results (not consolidated)

	2021 £'000	2020 £'000
Income and Endowments from:		
Charitable Activities		
School fees receivable	23,434	22,733
Ancillary trading income	715	472
Other Trading Activities		
Non-ancillary trading income	38	66
Other activities	294	309
Investments		
Investment income	342	476
Bank and other interest	9	56
Voluntary Sources		
Grants and donations	689	521
Total Income	25,521	24,633
Expenditure on:		
Raising Funds		
Financing costs	9	98
Investment management	96	113
Fundraising	104	150
Total Deductible Costs	209	361
Charitable Activities		
Education	24,949	24,788
Total Expenditure	25,158	25,149
Net Income from Operations before Transfers and Investment Gains		
	363	(517)
Gains/(Losses) on investments	3,653	(535)
Net Income / (Deficit)	4,016	(1,052)
Net Movement in Funds for the Year		
Fund balance brought forward at 1 September 2020	57,499	58,551
Fund Balances Carried Forward at 31 August 2021	61,515	57,499

Haileybury and Imperial Service College

2 Trading Income

In the main this arises from Haileybury Enterprises Limited (Registered No. 2880179), a company wholly owned by Haileybury, which continues to supply services to the College and to carry out residential lettings, sports complex lettings, international educational advice and consultancy, construction and property dealing. The results of HEL for the year are as follows:

	2021	2020
	£'000	£'000
Turnover	1,470	751
Cost of sales	(145)	(267)
Gross profit	1,325	484
Other operating income	1	2
Administrative expenses	(326)	(350)
Operating Profit	1,000	136
Interest payable and similar charges	(1)	(8)
Profit on Ordinary Activities before Tax	999	128
Tax on profit on ordinary activities	(4)	(5)
Profit on Ordinary Activities after Tax	995	123
Amount donated by gift aid to Haileybury	(101)	(112)
Retained profit for the year after tax and gift aid	894	11
Retained profit brought forward at 1 August 2020	142	131
Retained Profit Carried Forward at 31 August 2021	1,036	142

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

	2021	2020
	£'000	£'000
Turnover, other operating income and interest receivable	1,470	751
Less: intra-group turnover, eliminated on consolidation	-	-
	1,470	751
External courses	-	-
Property income	39	47
Non-Ancillary Trading Income per SOFA	1,509	798

	2021	2020
	£'000	£'000
Expenditure of HEL (inc. gift aid)	577	743
Less: intra-group turnover, eliminated on consolidation	(196)	(278)
	381	465
Less HEL expenditure included in other expenditure	(150)	(131)
Non-Ancillary Trading Expenditure per SOFA	231	334

Haileybury and Imperial Service College

2 Trading Income (continued)

	2021 £'000	2020 £'000
Nets Assets of HEL at 31 August 2021 were	1,037	143

Related Party Transactions

In the period, the college charged £208,905 (2020: £171,077) to HEL for the provision of staff and the administrative services. At 31 August 2021 HEL owed the College £nil (2020: £137,052) on an intercompany loan. There were no other related parties' transactions in the period (2020: £nil).

3 Charitable Activities - School Fees Receivable

	2021 £'000	2020 £'000
School Fees Receivable Comprised:		
School fees	25,538	24,593
Less total scholarships, bursaries and allowances	(2,191)	(1,968)
	23,347	22,625
Add back: scholarships and bursaries paid for by designated funds	43	43
Add back: scholarships and bursaries paid for by restricted funds	44	64
	23,434	22,733

Scholarships, bursaries and other awards and allowances were awarded to 237 pupils (2020: 229). Within this means-tested bursaries totalling £811,143 were awarded to 58 pupils (2020: £647,717 to 61 pupils).

4 Other Activities

	2021 £'000	2020 £'000
Sundry sales and recovered costs	282	213
Miscellaneous income	12	13
	294	226

Haileybury and Imperial Service College

5 Analysis of Expenditure

(a) Expenditure on

	Staff costs £'000	Other costs £'000	Depreciation £'000	2021 £'000
Raising Funds				
Non ancillary trading	294	(63)	-	231
Financing costs	-	9	-	9
Investment management	-	96	-	96
Fundraising	72	32	-	104
Total Costs of Raising Funds	366	74	-	440
Charitable Activities				
Education				
Teaching	9,891	1,217	-	11,108
Welfare	663	1,976	-	2,639
Premises repair and maintenance	2,174	2,361	1,676	6,211
Support costs and governance	2,696	2,439	-	5,135
Awards and prizes	-	103	-	103
Total Consolidated Expenditure	15,424	8,095	1,676	25,196
Total Expended	15,790	8,170	1,676	25,636
Charity Only*	15,496	7,986	1,676	25,158

* See note 1

Analysis of Expenditure Comparative Figures

Expenditure on:

	Staff costs £	Other Costs £	Depreciation £	2020 £
Raising Funds				
Non ancillary trading	170	163	-	333
Financing costs	-	106	-	106
Investment management	-	113	-	113
Fundraising	66	85	-	151
Total Costs of Raising Funds	236	467	-	703
Charitable Activities				
Education				
Teaching	9,884	1,451	-	11,335
Welfare	663	1,814	-	2,477
Premises repair and maintenance	2,315	2,727	1,534	6,576
Support costs and governance	2,685	2,357	-	5,042
Awards and prizes	-	43	-	43
Total Consolidated Expenditure	15,547	8,392	1,534	25,473
Total Expended	15,783	8,859	1,534	26,176
Charity Only*	15,613	8,003	1,534	25,150

Haileybury and Imperial Service College

5 Analysis of Expenditure (continued)

(b) Awards and Prizes

	2021 £'000	2020 £'000
From Restricted Funds:		
Bursaries and scholarships	7	12
Other Awards	2	(18)
From Unrestricted/Designated Funds:		
Bursaries and scholarships	38	53
Prizes and leaving awards	7	4
Other awards	50	(8)
	<u>104</u>	<u>43</u>

(c) Governance included in support costs

	2021 £'000	2020 £'000
Auditors' remuneration:		
For audit	32	37
Other services	2	2
	<u>34</u>	<u>39</u>

Expenses were reimbursed to trustees, as follows:

	2021 No.	2021 £	2020 No.	2020 £
Travel	-	-	13	4,689

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

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

	2021 £'000	2020 £'000
Wages and salaries	12,183	12,112
Social security costs	1,217	1,256
Pension contributions	2,028	1,962
	<u>15,428</u>	<u>15,330</u>
Other staff costs	362	453
	<u>15,790</u>	<u>15,783</u>

The total remuneration to employees, including benefits in kind, paid for the year was £15,789,965 (2020: £15,783,039).

The average number of employees (FTE) in the period was 301 (2020: 310) out of which the number of teaching employees (FTE) in the period was 121 (2020: 118).

The average number of employees in the period was 407 (2020:393).

Haileybury and Imperial Service College

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

Staff by Area

	2021	2020
Teaching	202	202
Welfare	33	14
Premises	110	118
Support	62	59
	£	£
Aggregate employee-benefits of key management personnel	<u>363,951</u>	<u>356,102</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:

	2021	2020
	No.	No.
£60,001 - £70,000	16	19
£70,001 - £80,000	6	8
£80,001 - £90,000	4	1
£90,001 - £100,000	3	3
£100,001 - £110,000	1	1
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1
£160,001 - £170,000	<u>1</u>	<u>1</u>

Pension contributions of £365,855 were paid to the Teacher's Pension Agency in respect of 21 employees whose emoluments amounted to over £60,000. Pension contributions of £35,634 in respect of 4 employees were made to personal pension schemes, whose emoluments amounted to over £60,000. Pension contributions of £31,330 in respect of 7 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 £123,135 (2020 £81,046). There were no amounts outstanding at the period end.

No trustees received remuneration during the year.

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 £1.627m (2020: £1.623m) and at the year-end £nil (2020 - £nil) was accrued in respect of contributions to this scheme.

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

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

Haileybury and Imperial Service College

7 Pension Scheme (continued)

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

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

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

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

(b) The Pensions Trust's Growth Plan

Support 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 2021 this liability would have been £930,925 (2020: £981,188). There is however no plan to leave the scheme so this contingent liability has not been provided for in the accounts.

Contributions totalling £279,859 (2020: £207,127) 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 £113,516 (2020: £170,191) has been recognised in relation to this.

Haileybury and Imperial Service College

8 Transfers

	Unrestricted Funds £'000	Restricted Funds £'000	Endowed Funds £'000
Fundraising grants	27	(27)	-
Charity commission loan repayments	(149)	-	149
Scholarship and bursary awards	38	(38)	-
ISE Grants to School Unrestricted Funds	207	(207)	-
Recharges from School to ISE	10	(10)	-
Transfers from Special Funds to Unrestricted Funds	20	(20)	-
Transfers from ISE to Unrestricted Funds	50	(50)	-
Reclassification of Funds	(2)	60	(58)
Total transfer	<u>201</u>	<u>(292)</u>	<u>91</u>

This note analyses transfers between funds as summarised on the SOFA. These transfers arise because intergroup transactions are eliminated in the consolidated accounts. For example, if a donation is made for a restricted purpose and a purchase is made with those funds then the expenditure becomes unrestricted. A transfer from restricted funds to unrestricted then needs to be processed to reflect the reduction of restricted funds held.

9 Tangible Fixed Assets - Consolidated and Charity

	Land and buildings £'000	Fixtures and fittings £'000	Equipment and machinery £'000	Vehicles £'000	Total £'000
Consolidated					
Cost					
At 1 September 2020	41,106	3,575	5,622	622	50,925
Additions	1,220	2,805	839	67	4,931
Disposals	-	-	-	(6)	(6)
At 31 August 2021	<u>42,326</u>	<u>6,380</u>	<u>6,461</u>	<u>683</u>	<u>55,850</u>
Accumulated Depreciation					
At 1 September 2020	(9,060)	(1,011)	(4,075)	(378)	(14,524)
Charge for period	(769)	(361)	(488)	(57)	(1,675)
Disposals	-	-	-	-	-
At 31 August 2021	<u>(9,829)</u>	<u>(1,372)</u>	<u>(4,563)</u>	<u>(435)</u>	<u>(16,199)</u>
Net Book Value at 31 August 2021	<u>32,497</u>	<u>5,008</u>	<u>1,898</u>	<u>248</u>	<u>39,651</u>
Net book value at 31 August 2020	<u>32,046</u>	<u>2,564</u>	<u>1,547</u>	<u>244</u>	<u>36,401</u>
Charity					
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2020	41,106	3,575	5,622	622	50,925
Additions	1,220	2,805	839	67	4,931
Disposals	-	-	-	(6)	(6)
At 31 August 2021	<u>42,326</u>	<u>6,380</u>	<u>6,461</u>	<u>683</u>	<u>55,850</u>
Accumulated Depreciation					
At 1 September 2020	(9,060)	(1,011)	(4,075)	(378)	(14,524)
Charge for period	(769)	(361)	(488)	(57)	(1,675)
Disposals	-	-	-	-	-
At 31 August 2021	<u>(9,829)</u>	<u>(1,372)</u>	<u>(4,563)</u>	<u>(435)</u>	<u>(16,199)</u>
Net Book Value at 31 August 2021	<u>32,497</u>	<u>5,008</u>	<u>1,898</u>	<u>248</u>	<u>39,651</u>
Net book value at 31 August 2020	<u>32,046</u>	<u>2,564</u>	<u>1,547</u>	<u>244</u>	<u>36,401</u>

Haileybury and Imperial Service College

9 Tangible Fixed Assets - Consolidated and Charity (continued)

Fixed assets under construction included in land and buildings is £878,293 (2019/20: £476,840), in fixtures and fittings is £191,437 (2019/20: £nil), and in equipment and machinery is £24,302 (2019/20: £nil).

The current valuation of buildings for insurance purposes is £259,950,372 (2020: £282,554,753).

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 12.6 years have lapsed.

10 Investments – Consolidated and Charity

	Composition of Fees	Composition of Fees	Investments	Investments
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Group Investments				
Balance at 1 September 2020	292	334	18,706	19,182
New money invested	2	-	-	163
Reinvested income	3	8	484	205
Amounts extracted	(115)	(43)	(187)	(197)
Investment management fees	(1)	(1)	(96)	(113)
(Decrease)/increase in value of investments	(5)	(6)	3,653	(535)
Group Investments at 31 August 2021	176	292	22,560	18,705
Investments in Subsidiaries	-	-	1	1
College Investments at 31 August 2021	176	292	22,561	18,706
Investments Comprise				
Listed investments	-	-	-	-
Fixed interest	175	289	1,790	2,072
Equities	-	-	17,699	14,843
Alternative assets	-	-	954	226
Unlisted securities	-	-	74	74
Commercial property funds	-	-	559	298
Commodities	-	-	556	241
Infrastructure	-	-	233	491
Other	-	-	8	52
Cash	1	3	687	408
Group investments	176	292	22,560	18,705
Investment in subsidiaries	-	-	1	1
College investments	176	292	22,561	18,706

Haileybury and Imperial Service College

10 Investments – Consolidated and Charity (continued)

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.

11 Statement of Investment Total Returns

The Governors have adopted a policy of total return accounting for the ISE No 1 Fund. This permits part of the capital gain to be drawn as income to meet the needs of current beneficiaries while protecting the capital and so future calls on the funds. The annual increase of the protected sum is calculated with reference to the RPI and the total return from endowment is calculated by reference to the FTSE all share yield. In addition, any amount of return to be drawn from invested funds is limited to 50% of the amount above the protected increase.

	Trust for investment	Unapplied Total Return	Total Endowment
	£	£	£
At beginning of the reporting period:			
Gift component of the permanent endowment	6,705	-	6,705
Unapplied total return	-	2,540	2,540
Total	6,705	2,540	9,245
Movements in the reporting period:			
Repayment	173	-	173
Investment return: realised and unrealised gains and (losses)	82	1,976	2,058
Less: Investment management costs	-	(68)	(68)
Net movements in reporting period	255	1,908	2,163
At end of the reporting period:			
Gift component of the permanent endowment	6,960	-	6,960
Unapplied total return	-	4,448	4,448
Total	6,960	4,448	11,410
Amounts taken to income in the year:			
Dividends and interest	-	129	129
Unapplied total return released	-	287	287
	-	416	416

The unapplied total return approach does not apply to all endowed funds. Therefore the amounts above form only part of the total endowed funds in note 17 and the consolidated balance sheet.

Repayment refers to interest free Charity Commission approved loans.

Haileybury and Imperial Service College

12 Stocks

	Consolidated		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Goods and property for resale	70	99	70	99
Consumables	86	121	86	121
	<u>156</u>	<u>220</u>	<u>156</u>	<u>220</u>

13 Debtors

	Consolidated		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
School fees	13	151	13	151
Trade debtors	274	821	128	6
Sundry debtors	381	184	381	184
Amount due from subsidiary company	-	-	-	137
Amount due from Lambrook	25	35	25	35
Prepayments and accrued income	1,275	670	1,009	670
Due within one year	<u>1,968</u>	<u>1,861</u>	<u>1,556</u>	<u>1,183</u>
Trade debtors	19	42	-	-
Sundry debtors	-	2	-	2
Amount due from Lambrook	707	721	707	721
Due after more than one year	<u>726</u>	<u>765</u>	<u>707</u>	<u>723</u>
Total debtors	<u>2,694</u>	<u>2,626</u>	<u>2,263</u>	<u>1,906</u>

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

The amounts due to Haileybury represent interest free Charity Commission approved loans to Lambrook School. There is security with a charge over property at Lambrook. The repayment terms were 50 years of which there are 32 and 30 years left respectively.

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:

	2021 £'000	2020 £'000
After 5 years	-	-
Within 2 to 5 years	116	177
Within 1 to 2 years	60	115
	<u>176</u>	<u>292</u>
Within 1 year (see note 15 below)	-	-
	<u>176</u>	<u>292</u>

Haileybury and Imperial Service College

14 Composition of Fees Scheme (continued)

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

	Total £'000
Balance at 1 September 2021	292
New contracts	-
Amounts accrued to contracts	-
	<hr/> 292
Amounts utilised in payment of fees to the College	(116)
Withdrawals	-
Balance at 31 August 2021	<hr/> 176 <hr/>

15 Creditors Payable Within One Year

	Consolidated		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors and finance leases	783	3,016	404	1,990
Fees paid in Advance	6,183	6,583	6,183	6,582
Taxation and social security	292	301	292	301
Other creditors and accruals	3,194	188	3,194	188
Composition of Fees due (see note 12 above)	60	115	60	115
Pupil fee deposits held	2,852	2,987	2,852	2,987
	<hr/> 13,364 <hr/>	<hr/> 13,189 <hr/>	<hr/> 12,985 <hr/>	<hr/> 12,164 <hr/>

16 Creditors Payable After One Year

	Consolidated		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors and finance leases	63	-	63	-
Other creditors and accruals	277	225	277	225
Composition of Fees due (see note 12 above)	116	177	116	177
Pupil fee deposits held	-	-	-	-
	<hr/> 456 <hr/>	<hr/> 402 <hr/>	<hr/> 456 <hr/>	<hr/> 402 <hr/>

Haileybury and Imperial Service College

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	271	20,470	855	-	21,596
Restricted funds 17b	-	560	693	-	1,253
Unrestricted funds	-	-	-	-	
Designated funds 17c	-	1,454	926	-	2,380
General funds 17d	39,380	252	(1,854)	(456)	37,322
	<u>39,651</u>	<u>22,736</u>	<u>620</u>	<u>(456)</u>	<u>62,551</u>

Note: General Funds includes the Fees in Advance Scheme.

17a Endowed Funds – Consolidated and Charity

	Balance 1 September 2020	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/ (losses) £'000	Balance 31 August 2021 £'000
HCT	2,389	-	(16)	441	2,814
ISE	16,135	27	(77)	3,317	19,402
ISE total return transfer	(333)	-	-	(287)	(620)
	<u>18,191</u>	<u>27</u>	<u>(93)</u>	<u>3,471</u>	<u>21,596</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.

17b Restricted Endowed Funds – Consolidated and Charity

	Balance 1 September 2020	Incoming resources	Resources expended	Transfers & investment gains/(losses)	Balance 31 August 2021
Scholarships, bursaries and allowances	945	283	(5)	37	1,260
HCT	(34)	14	-	(38)	(58)
ISE	-	257	-	(206)	51
	<u>911</u>	<u>554</u>	<u>(5)</u>	<u>(207)</u>	<u>1,253</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)

17c Designated Funds – Consolidated and Charity

	Balance 1 September 2020	Incoming resources	Resources expended	Transfers & investment gains/ (losses)	Balance 31 August 2021
Designated Funds	1,283	30	(1)	32	1,344
HEL	279	1,471	(382)	(332)	1,036
	<u>1,562</u>	<u>1,501</u>	<u>(383)</u>	<u>(300)</u>	<u>2,380</u>

Designated Funds represent an amount set aside historically from Unrestricted Funds and separately invested to fund scholarships and bursaries. HEL represents the reserves of Haileybury Enterprises Ltd, the trading subsidiary of Haileybury to reflect the fact that profits in HEL are covenanted as donations to the Charity..

17d Unrestricted Funds – Consolidated and Charity

	Balance 1 September 2020	Incoming resources	Resources expended	Transfers & investment gains/(losses)	Balance 31 August 2021
Haileybury	36,646	24,810	(25,156)	403	36,703
Haileybury Total Return	332	-	-	287	619
	<u>36,978</u>	<u>24,810</u>	<u>(25,156)</u>	<u>690</u>	<u>37,322</u>

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

Allocation of the Group Net Assets Comparative Figures for 2020

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	273	16,920	998	-	18,191
Restricted funds	-	427	134	-	561
Unrestricted funds	-	-	-	-	-
Designated funds	-	1,282	280	-	1,562
General funds	36,130	368	1,231	(402)	37,327
	<u>36,403</u>	<u>18,997</u>	<u>2,643</u>	<u>(402)</u>	<u>57,641</u>

Haileybury and Imperial Service College

17 Allocation of the Group Net Assets (continued)

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	(333)	-	-	-	(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.

Restricted Funds - Consolidated and Charity

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

	Balance 1 August 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers & investment gains/(losses) £'000	Balance 31 August 2020 £'000
Scholarships, bursaries and allowances	1,001	411	15	(482)	945
HCT	-	23	-	(57)	(34)
ISE	4	357	-	(361)	-
	<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.

Designated 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
Designated Funds	1,300	42	-	(59)	1,283
HEL	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.

Haileybury and Imperial Service College

17 Allocation of the Group Net Assets (continued)

Unrestricted 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
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.

18 Capital Commitments

Capital commitments amounting to £1,094,031 (2020: £476,840) existed at 31 August 2021, representing contracts entered into but not yet complete.

19 Operating and Finance Leases

At 31 August 2021 Haileybury has future minimum lease commitments under non-cancellable operating lease, as follows:

	2021 £'000	2020 £'000
Hire of land and buildings	1	1
Due within 1 year	<u>1</u>	<u>2</u>
Due within years 2 to 5	<u>2</u>	<u>3</u>

At 31 August 2021 there were obligations under finance leases included in creditors and accrued charges amounting to £151,095 (2020: £nil). Balances are due in less than one year of £87,989 and in two to five years £63,106.

Haileybury and Imperial Service College

Notes to the Consolidated Cash Flow Statement

For the Year Ended 31 August 2021

20 Reconciliation of Net Income to Net Cash Flow from Operating Activities

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Net incoming resources (expenditure)		4,909		(1,042)
Elimination of non- operating cash flows:				
Investment income and interest received	(352)		(533)	
Endowed donations	-		-	
Finance costs	9		106	
Corporation tax	-		-	
Investment management charges	96		113	
Depreciation charge	1,677		1,537	
Loss on sale of assets	6		-	
Investment losses (gains)	(3,653)		535	
Decrease/ (increase) in stocks	63		(67)	
(Increase)/decrease in debtors	(68)		(911)	
Increase / (decrease) in creditors (excluding fees in advance scheme and deposit)	479		5,513	
(Decrease) / increase in fees in advance scheme creditors	(115)		(138)	
Increase in pupil fee deposits	(136)		247	
	<hr/>	(1,994)	<hr/>	6,402
Net Cash inflow from operating activities		<hr/> 2,915 <hr/>		<hr/> 5,360 <hr/>

21 Analysis of Cash and Cash Equivalents

	2021 £'000	2020 £'000
Cash at bank	11,134	12,987
Cash held within investment portfolio	687	411
	<hr/> 11,821 <hr/>	<hr/> 13,398 <hr/>

Haileybury and Imperial Service College

22 Analysis of Net Debt

	At 1 September 2020	Cash flows	Other movements	At 31 August 2021
	£'000	£'000	£'000	£'000
Cash and cash equivalents	13,398	(1,577)	-	11,821
Sub-total	13,398	(1,577)	-	11,821
Finance lease	-	-	(151)	(151)
Net funds	13,398	(1,577)	(151)	11,670

Haileybury and Imperial Service College

Governing Board

for the Year Ended 31 August 2021

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

President The Rt Revd The Bishop of St Albans

Trustees and Members of Council

13	Ms C Armah BA
7	Mrs C F Avery MA (Oxon) PGCE NPQH
11	Mrs S Beazley MA PGCE (<i>Retired December 2020</i>)
7	Mr A D Brown MA (Cantab) PGCE
6, 12, +	Dr A Drewett JP BSc PhD
5, 6, 14	Mr G A Ellison MA (Oxon)
13	Mr N D Gilbert BA
9, 14	Mrs J Gough OBE MA (Cantab) ACA
6, 10	Mrs H Grimberg LLB
11	The Revd Canon S Harvey MA (Oxon) PGCE NPQH
9, 12	The Revd P Hunt BA MA MTh
6, 9, 11	Mr J C Lowe JP MA PGCE (<i>Retired December 2020</i>) Mr R J G Madden MA (Cantab) ACA
4, 5, 6, 8, 10, 12	Mr R P Munn MA (Cantab) FRGS
11	Dr R Olowookere MRCPG
14	Mr T I Page-Ratcliff FNAEA
11	Ms T Pandya BSc
7	The Revd D Peters BA MA (Oxon) DipTh (Oxon)
9	Ms R Phelps QC BA (Oxon) BCL (Oxon)
1, 9, 10, 12, +	Mr A J T Pilgrim BSc FCA
5, 6	Mr M Rayfield BSc ACA
6, 11, 13	Dr N P V Richardson MA (Cantab) PhD, PGCE
7, 10, 12	Mr S C Roberts MA (Oxon) PGCE (Oxon)
2, 3, 10	Mr C N C Sherwood MA (Cantab) MBA MSc
8,	Mr W D Walker-Arnott BA
7	Mr S A Westley MA (Oxon)

Non-Council Governors

	Mr R M Abel Smith
	Dr C B Challacombe MB BS MRCS LRCP
	Lord Clement-Jones CBE
	Dr E S Cleobury MA PhD
	Mrs M Evans BA
5, 8, 12, +	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
	Mr G C Smith MA DipEd
	Mr G W Staple CB QC
	The Revd A J Templeman MA DipTh
	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

Master Mr M A R Collier MA (Oxon)

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

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

Denotes:

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

Haileybury and Imperial Service College

Advisers for the Year Ended 31 August 2021

Bankers *Not for Profit & Education, Commercial & Private Banking, NatWest*
2nd floor, Argyll House, 246 Regent Street, London, W1B 3PB

Investment Managers *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

Solicitors *Altor Employment Solicitors Ltd*
150 Minories, London EC3N 1LS

Bird and Bird LLP
12 New Fetter Lane, London EC4A 1JP

Taylor Vinters LLP
Merlin Place, Milton Road, Cambridge CB4 0DP

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

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

Eversheds Sutherland LLP
1 Wood Street, London EC2V 7WS

Pension Advisers *Lane Clark & Peacock*
95 Wigmore Street
London W1U 1DQ

Auditors *Haysmacintyre LLP*
10 Queen Street Place, London EC4R 1AG

Insurance Brokers *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 and Imperial Service College for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 August 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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.

Conclusions relating to going concern

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

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

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

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

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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 returns adequate for our audit have not been received from branches not visited by us; 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.

Responsibilities of Council for the financial statements

As explained more fully in the Council's responsibilities statement set out on page 15, the Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council Members 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 members are 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 intends 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered other factors such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and concluded that the risk was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates; and
- Review of minutes of meetings held in the year.

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

Use of our report

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: 10 January 2022

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