

THE WHITGIFT FOUNDATION
GOVERNORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

Haysmacintyre LLP
Chartered Accountants
Registered Auditors

Registered Charity Number: 312612

**THE WHITGIFT FOUNDATION
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Status	The Whitgift Foundation is regulated by the Whitgift Charities Act 1969 as varied or affected by a Scheme of the Charity Commission dated 6 June 2011.
Charity number	312612
Principal office	North End Croydon CR9 1AA
Trustee	The body corporate called The Whitgift Foundation (known as John Whitgift Foundation) is the Trustee of the Charity
Key executive personnel	
Clerk to the Foundation & Chief Executive	Mr M C Corney
Head of Whitgift School	Mr C D Ramsey M.A.
Head of Trinity School	Mr A Kennedy M.A.
Head of Old Palace School	Mrs J Burton B.Sc.
Bankers	National Westminster Bank 1 High Street Croydon, CR9 1UY
Auditors	Haysmacintyre LLP Chartered accountants & registered auditors 10 Queen Street Place, London EC4R 1AG
Solicitors	Streeter Marshall 74 High Street, Croydon CR9 2UU SNR Denton One Fleet Place, London EC4M 7WS Lee Bolton Monier-Williams 1 The Sanctuary, Westminster London, SW1P 3JT Farrer & Co 66 Lincoln's Inn Fields, London, WC2A 3LH
Investment Managers	CCLA Investment Management Ltd Senator House, 85 Queen Victoria Street, London EC4V 4ET Sarasin & Partners LLP Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU Veritas Investment Management LLP 90 Long Acre, London, WC2E 9RA

A message from our Chairman

Community endures

This journal is typically produced to share stories from across our rich and diverse community, to celebrate our collective success, and to reflect on another year in our charity's long history. In these strange and difficult times, such an endeavour may seem an odd undertaking. However, it is how we react to times like these that defines us. And in the face of such adversity, we can all take huge pride in the way our community has responded.

We've seen staff and alumni from our schools battling to save lives in hospitals across the UK, DT teachers manufacturing PPE for frontline workers, minibuses delivering essential supplies, care home residents knitting scrubs for the NHS, and staff at the Carers Support Centre arranging food parcels for carers as far afield as Milton Keynes and Plymouth. We've seen our community pull together and collaborate like never before in a time of great need, living and breathing the values our charity stands for.

These are stories worth celebrating. This is a year worth reflecting on. As I do so, I'm minded of the motto which two of our three schools share – *vincit qui patitur* – which means 'he who endures, succeeds'. We have endured much throughout this year. But if one success is to be celebrated, I hope it will be that of a community bound closer together.

Christopher Houlding

Chairman, John Whitgift Foundation

3 December 2020

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CONSTITUTION

The Whitgift Foundation known as John Whitgift Foundation (Charity No. 312612) is regulated by the Whitgift Charities Act 1969 as varied or affected by a Scheme of the Charity Commission dated 6 June 2011.

ORGANISATIONAL STRUCTURE AND GOVERNANCE

The body corporate called The Whitgift Foundation is the Trustee of the Charity.

The governing body of the Foundation is the Court, whose present composition is shown later in this report. The Court carries final responsibility for our schools, homes and properties but a great deal of the day-to-day management is carried out by committees on whom the following Foundation governors serve.

As a general rule and subject to the terms of the Charity Commission Scheme as to ex-officio governors and external nominations, the Foundation continues to follow Charity Commission guidance on the appointment of governors by advertising, engaging consultancies and through local community networks.

Finance & Administration Committee

Mr I Harley; Dr A Mehta; Mr N Edwards; Mr D McNeil

Whitgift Care Committee

Dr A Mehta, The Revd Canon Dr Andrew Bishop

Salaries & Conditions of Service Committee

Mr I Harley; Mr N Edwards

Education Committee

Mr M Proudfoot; Ms D Payne

Governance & External Relations Committee

Mr A Patel; The Rt Revd J Clark; Mr M Proudfoot; Ms D Payne

Whitgift School Committee

Mr N Edwards; The Revd Canon Dr Andrew Bishop; Mr M Proudfoot; Mr A Patel

Trinity School Committee

Mr D Seymour; The Revd Canon Dr Andrew Bishop; Mr M Proudfoot; Mr A Patel

Old Palace of John Whitgift School Committee

Mr D Sutton; Mr M Proudfoot; The Revd Canon Dr Andrew Bishop; Mr A Patel; Ms D Payne

Terms of reference for each of these committees have been laid down by the Court and certain delegated authority granted in instances where duty is delegable.

Day to day management of the Foundation is vested in the Clerk, in the heads for the schools, and the care managers for the homes.

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GOVERNORS

Save for the ex-officio governors, the members of the Court are appointed for three-year terms. They can be re-appointed for a further three terms of three years or longer in exceptional circumstances. The number of governors provided for in the scheme approved in June 2011 (as amended by a resolution dated 8 December 2016) is fifteen:

- Two ex-officio governors: The Area Suffragan Bishop of Croydon and the incumbent of St John the Baptist, Croydon
- Seven governors nominated by The Archbishop of Canterbury
- Six co-opted governors appointed by resolution of the Court.

The members of the Court, who are also the Charity Trustees, and who served during the year are detailed below.

The following persons served as governors during the year and since the year end:

	Appointed by:
Mr C J Houlding	Archbishop of Canterbury
Mr G H. Wright TD, DL, PPCIOB (<i>deceased 19 October 2019</i>)	Archbishop of Canterbury
Mr I Harley MA, FCA, FCIB	Archbishop of Canterbury
Mr D Mead MBE, FCCA (<i>retired 19 January 2020</i>)	Archbishop of Canterbury
Mr D C Hudson MA (<i>retired 5 December 2019</i>)	Archbishop of Canterbury
Viscountess Stansgate OBE, MA (<i>retired 12 December 2019</i>)	Archbishop of Canterbury
Mrs P E Davies BSc, PGCE, M.Ed (<i>retired 31 December 2019</i>)	Archbishop of Canterbury
The Rt Revd Jonathan Clark – The Bishop of Croydon	Ex-officio
Mr M A Proudfoot MA, MLitt	Archbishop of Canterbury
Mr D C Q Sutton JP, FRICS	Archbishop of Canterbury
Mr D Seymour CB MA	Archbishop of Canterbury
Dr A Mehta FRCP	Archbishop of Canterbury
Mr A Patel ACA, MSc	Archbishop of Canterbury
The Revd Canon Dr Andrew Bishop	Ex-officio
Ms Diana Payne	Court
Mr Nicholas Edwards (<i>appointed 6 December 2019</i>)	Court
Mr Drew McNeil (<i>appointed 6 December 2019</i>)	Court

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Recruitment and training of governors

The Governance and External Relations Committee continues to monitor appointments and reappointments of all governors including subcommittee governors. Attention is given to ensuring that the Court and its subcommittees comprise an appropriate balance of skills. New governors are inducted into the workings of the Foundation, its schools and care homes and complete specialist external courses relevant to their roles and responsibilities of charity trustees, including safeguarding.

In addition to regular meetings, members of the Court and school committees attend an annual seminar where general matters of governance and strategy are reviewed together with operational priorities for the future.

POLICIES

Among our various responsibilities there are two which are fundamental both to our history and our ethos; the care of the elderly and frail at our three homes and the provision of bursaries at our three schools. This is because they are the direct continuation of the inspiration of our Founder, John Whitgift, when in 1596 he established his Foundation. He wanted to provide an Almshouse, the Hospital of the Holy Trinity, for deserving old folk. There are now three such homes, providing sheltered accommodation, residential care and full nursing care, as appropriate. He also wished to ensure as far as was practicable that no prospective pupil who would benefit from the education provided by his school (now three schools) would be prevented from doing so by financial limitations.

Bursary Policy

There can be no assurance of grants unless there is an assurance of income and no investment policy can achieve this. Partly for this reason the Court sets an annual allocation of funds for new bursaries.

A bursary award once granted remains available to a pupil for the duration of their education at a Foundation school but is subject to annual assessment of the parental income and assets.

Bursaries provided by the Foundation from its investment income can be supplemented by donations received by school bursary funds specifically to provide additional bursaries over and above those provided by the Foundation. The funds to support these school bursaries are held in a separate restricted fund and can only be used towards the provision of school bursaries.

Reserves Policy

The assets of the Foundation produce sufficient income to meet its commitments. It is not governors' policy to build up additional reserves except where these are being put aside to finance future capital expenditure.

Unrestricted funds amounted to £220,038,290 all of which is represented by tangible fixed assets and fixed asset investments. Both the tangible assets and the investment portfolio have been designated by the governors as they represent monies already incurred, or in the case of the investments are held for the longer term to maintain a sufficient income flow to support the activities of the Charity and the objects for its existence in particular bursary support and the provision of care for the elderly.

For a number of years, the Foundation has been actively seeking a development partner to redevelop the Whitgift Shopping Centre, of which it holds the freehold and a current share of the leasehold interest. Having entered into an agreement with the Westfield Group (Westfield subsequently entered into a partnership with Hammerson forming the Croydon Limited Partnership), the Foundation anticipates that this will bring about a positive change in the long-term income stream and investment strategy for the Charity. This should secure funds to further support the bursary provision and grants for our care homes. In December 2017 Unibail-Rodamco took over Westfield Corporation, which operates 35 shopping centres in the US and UK, the deal was completed in June 2018. Unibail-Rodamco-Westfield now operate over 100 shopping centres in the UK,

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Europe and USA. Delays in the development process mean that a likely date for the development to commence are at least one year away.

The Court remains confident that this reserves policy is the one most suitable for the present needs.

Investment powers, policy and performance

The governors' investment powers are determined by the Charity Scheme, which permits the Charity's funds to be invested in property investments and any listed equities and collective investments. Some minor funds are invested in the Charities Official Investment Fund (C.O.I.F.). The investment objectives continue to be a balance of growth and income with a balanced attitude to risk.

The investments have continued to be managed in conformity with this policy and the Charity Scheme and the performance is as follows.

Our net income from investment properties was £2,200,178, a decrease of £481,188 on the previous year. This reduction is largely due to reduced income from the Whitgift Shopping Centre and other commercial properties impacted by COVID-19 and a general downturn in retail income. The day-to-day management of the investment property assets continues to be contracted to Stiles Harold Williams, Chartered Surveyors.

The value of the property investment portfolio is £54,475,000 (previous year £65,176,010). This reduction is due to the decline in value of commercial properties including the Whitgift Shopping Centre.

The market value of all our funds held by our investment managers at the end of the financial year was £127,956,049 (previous year £121,385,363). Income from the funds totalled £2,899,317 (previous year £3,031,678). Our asset advisors, Sarasin & Partners LLP, CCLA Investment Management Ltd and Veritas Investment Management, manage our major funds on a discretionary basis.

Risk Policy

The Charity has a formal risk management process through which the Court and its key subcommittees (Governance & External Relations; Finance; Care; Education and school committees) identifies the major risks to which the organisation may be exposed and has determined responsible control procedures to mitigate impact, culminating in a risk control register which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed at each meeting of the Court and its subcommittees. The governors are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the charity are as follows:

Risk identified	Action taken to mitigate the risk
1. Development of the Whitgift Shopping Centre not commencing	Regular meetings take place with the developer and other key parties to monitor progress
2. Failure to meet regulatory safeguarding compliance	Annual review of safeguarding compliance by committees and governor reviews of the single central registers
3. Incident with potential to damage reputation	Incidents would be reviewed by executives and appropriate governors notified of detail. Appropriate legal advice would be sought if necessary
4. Reduction of income from property leads to cash flow challenges	Regular cash flow monitoring and forecasting to keep within target

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Risk identified	Action taken to mitigate the risk
5. Continuation of the Coronavirus pandemic affecting operations	Advice is being followed from public health bodies and regular updates are being circulated to all staff, parents, residents and relatives. Schools reopened and care homes remain open and guidance is being followed to ensure continued provision.

COVID-19

The accounts for the year to 31 August 2020 are approved with the continued impact of COVID-19 globally during that financial year. This impact includes the UK wide lockdown which started in March 2020 including the closure of the three schools. However, the pupils were provided with online distance learning during the lockdown period. The Foundation provided support to the parents through the provision of a discount to school fees for the summer term. The schools reopened for the autumn term in September 2020. The Care operations continued during this lockdown but had to introduce restricted access to the residents.

The Foundation continued to implement its contingency planning arrangements for such circumstances and was therefore able to serve its stakeholders. The ultimate impact of COVID-19 on the UK, the world, the economy and the Foundation continues to be unsure. However, the Foundation has taken advantage of Government support through furlough and local grants (infection control). The Foundation continues to consider COVID-19 risk as part of its normal risk management processes and mitigating actions are taken, therefore governors consider it appropriate for the going concern basis to be adopted for these accounts.

Pay Policy

The governors consider that the Court and executive management team are the key personnel in charge of directing and operating the charity on a day-to-day basis. All governors give their time freely and no governor received remuneration in the year. Details of governors' expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of all staff is reviewed annually by the Salaries and Conditions of Service Committee and normally increased in accordance with average earnings to reflect a cost of living adjustment. In view of the nature of the charity, the governors benchmark against pay levels in the independent schools and health care sectors.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

Charitable objectives

Maintenance and repair of the Almshouses for communicant members of the Church of England of modest means, either single persons or married couples, who are unable to maintain themselves by their own exertions; to be taken from the following:

- persons who have been employed in the household of The Archbishop of Canterbury
- persons resident in the ancient Parish of Croydon, the ancient Parish of Lambeth or County of Kent.

Education to be provided in its schools and instruction in accordance with the provisions of the Education Acts and religious instruction consistent with the doctrines of the Church of England. Award of maintenance allowance, prizes, scholarships and exhibitions.

The governors may, if they think fit, provide and maintain for the extension of the purposes of the Charity one or more homes for elderly people in addition to or (subject to the approval of the Charity Commissioners) in substitution for the Almshouses and one or more hospitals for the care of the aged and one or more additional schools for boys or girls or both boys and girls.

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The principal aims of the Charity remain the care of the elderly within our homes and the provision of education within our schools with an emphasis on reaching out to able pupils from lower income families who are assisted by grants.

Public benefit

The governors have considered the guidance contained in the Charity Commission's general guidance on public benefit and, in particular, its supplementary public benefit guidance on advancing education and on fee-charging, when exercising their powers and duties and planning the future activities of the Charity.

The Whitgift Foundation remains committed to the aim of providing public benefit in accordance with its founding principles.

The awarding of bursaries is a measurable means of providing public benefit and during the year the Foundation continued to assist many deserving and talented children that would otherwise be unable to afford the fees to attend our schools. This year, total awards of bursaries and scholarships amounting to £11,626,306 were given to 1,428 pupils (previous year £11,818,213 to 1,299 pupils). Within this the means-tested awards based on a sliding scale according to financial circumstances totalled £6,096,792 (previous year £5,995,026). As a percentage of pupils in the schools 45.2% were in receipt of fee assistance.

In addition to bursaries, the schools of the Foundation play an active part in numerous other activities within the wider community for the benefit of the public.

Numerous examples of such public benefit are available on the websites of the individual schools but include: significant partnerships, academic, sporting and cultural, with local maintained primary and secondary schools including the sharing of facilities and shared staff training and expertise; national involvement in educational initiatives; PGCE student training and mentoring programmes; cultural activities include hosting the Croydon Music Festival, free concerts in local churches and homes for the elderly.

Financial support for our care homes amounted to £1,157,596 during the year, before central allocation of administrative expenses and depreciation and this is covered by a transfer from general reserves.

About John Whitgift Foundation

Our vision

John Whitgift Foundation is a leading education and care charity located in Croydon. We support people of all ages and backgrounds, bringing them together to inspire a sense of community in all that we do.

Our story

We have a unique history in Croydon thanks to the legacy of our Founder, Archbishop John Whitgift. In 1596, he laid the first two foundation stones of the Hospital of The Holy Trinity. A few years later, just yards down the road, he opened a school. Together, these two buildings would help him realise his founding vision to educate and care for the people of Croydon. This was his legacy. Today, more than 420 years on, he would take great pride in the charitable work the John Whitgift Foundation carries out in his name. Because while much has changed since 1596, the values John Whitgift stood for then are as relevant today as they ever were; perhaps even more so.

Our mission

Our work covers three core areas:

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- **Access to education**

As one of the largest bursary providers in the country, we grant thousands of young people access to an outstanding education at our foundation schools - Old Palace, Trinity, and Whitgift - that many could not otherwise afford. Currently we grant £6.1m a year in bursaries, and to combine our scholarship awards, 45.2% of over 3,000 students benefit from fee assistance.

- **Care for older people**

Through our care homes and services, we give older people a true sense of community, comfort and joy in later life. At Whitgift Care we currently care for 100 older residents in sheltered living, residential or end of life nursing care and we offer 100 spaces for our 1596 Club day care service.

- **Supporting Croydon's carers**

We offer advice, information and a support network for Croydon's carers – providing a welcome break from the isolation and exhaustion they can endure. Our Carers Information Service runs a dedicated Carers Support Centre, a drop-in facility to provide practical support to carers, as well as health and wellbeing activities available to an estimated 34,000 carers in Croydon.

Our values

Serve – working hard for the benefit of others

Care – being attentive and responsive to the needs of those around us

Excel – aspiring to do the best we can and inspiring others to do the same

We SERVE

- **the communities we are a part of inspiring others to do the same**

Alumni, staff, and students report for duty

We are extremely proud of the many students, staff, and alumni who have reported for duty these past few months – working on the front line or volunteering to support those around them. Former students of Old Palace, Trinity, and Whitgift – some only a year or two out of medical school – have been deployed to Nightingale hospitals and intensive care units across the country. Doctors and nurses on staff at our schools have joined the effort alongside them, after volunteering to re-join the NHS in a time of great need. While many current students have volunteered to support those around them – signing up to be NHS Volunteer Responders or working with local food banks and charities to deliver essential supplies to those in need. Two brothers at Trinity have even launched a successful non-profit venture – selling face masks to raise money for Shelter and other food bank charities.

“During lockdown, I've been volunteering at a local charity called Compliments of the House. Normally, they deliver surplus food from restaurants to people in need. But during coronavirus, they've had to find other ways of sourcing food for people. In a single shift, I'd be boxing enough food to support 20 or 30 families. It was really rewarding, and nice to get out of the house too.” – Constanza, Year 11, Old Palace School of John Whitgift.

School minibuses shuttle key workers and supplies

With fewer students on site than usual, Whitgift and Trinity both offered up minibuses and drivers to support local people in need. Working in collaboration with Croydon Voluntary Action (CVA) – the minibuses delivered essential supplies from food banks to people shielding in quarantine as well as to vulnerable families, who rely on school meals to ensure their children get at least one proper meal every day. In addition to working with

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CVA, the minibuses were also offered up to our care homes – shuttling our key workers to and from work to help minimise the additional risks posed by taking public transport.

Carers Information Service delivers for carers

The coronavirus has had a substantial impact on carers and the vulnerable people who rely on them – often rendering one of both unable to even leave the house, due to the need to shield or self-isolate. At the beginning of the outbreak, the Carers Information Service received hundreds of enquiries from carers as far afield as Milton Keynes and Plymouth worried about how they would get access to food, medications, and other essentials. Fortunately, while the Carers Support Centre may have been closed, staff at the Carers Information Service were still hard at work – helping carers get food parcels and emergency cards so carers could shop quickly and safely during protected times.

Schools print +3,000 protective visors for frontline staff

Teachers and support staff from Whitgift and Trinity have put their skills and equipment to good use – 3D printing more than 3,000 protective visors for NHS staff at Croydon University Hospital, as well as for staff at Whitgift House and Wilhelmina House. The impressive effort began with a simple design by Whitgift DTE teacher Mr Wendes which has now been shared with schools right across the borough, inspiring other schools to follow suit.

Whitgift House residents sew scrubs for NHS workers

Not to be outdone, residents at Whitgift House joined in the efforts themselves – knitting scrubs for healthcare workers.

Whitgift Community Summer School keeps local children learning

Whitgift School has collaborated with Croydon Council to run a Year 5 Community Summer School – helping 142 local boys and girls from 22 different primary schools achieve their full academic potential and look beyond the pressures they and their families may have encountered over the past few months. Year 5 is a formative moment in a child's education, a crucial learning phase in building towards the transition to secondary school which has been massively disrupted for an entire year group by school closures. And due to the nature of achievement gaps, the negative effects of this will land disproportionately on children from less privileged backgrounds. Funded by Whitgift and staffed entirely by John Whitgift Foundation teachers, the course focused on teaching stimulating lessons in the core subjects of English, Maths, and Science, with the addition of a range of exciting enrichment lessons in Philosophy, Languages, Music Technology, and Sport. Much to their parents' delight, the boys and girls who attended not only developed their academic understanding but grew in confidence and had the chance to mix with other children as part of a school community – something many had badly missed. The students commented on the experience:

"Blown away by the summer school."

"The science lesson my daughter had was spectacular – she wants to become a microbiologist."

"He was so pleased to tell us about what he'd learned and the new friends he'd made."

"He really enjoyed the lessons and I can see his confidence growing."

"My daughter has been inspired to aim higher."

"Best summer school ever."

We CARE

- **for those around us, in our immediate community and beyond**

Students and residents keep in touch by exchanging art and letters

Children from Old Palace and Oakwood Primary have been exchanging letters, poems, and pictures with care home residents as part of our pen pal project. The initiative was launched near the start of lockdown to give children and residents a constructive way to tackle feelings of loneliness and isolation and to help bridge the gap between generations. While at Trinity School, students opted to start a 'visual conversation' with residents – creating uplifting artworks to brighten up their homes. Students and residents wrote:

"We are all a bit lost, worried, and concerned at the moment. I am also extremely bored. I'd prefer to be at school and see my friends." – Diya, Old Palace School of John Whitgift

"During this terrible time, I know you might be feeling a bit lonely, so I have written you an autobiography all about my life to give you some comfort." – Sayyida, Old Palace School of John Whitgift

"Thank you so much for all your letters. We're pleased you're thinking of us and have enjoyed reading all about you. I'm keeping occupied, sewing, and reading. And although we can't go out, we can ring people up. And at least we're sure to find them at home!" – Margaret, Whitgift Care resident

"I've lived in Croydon since I was a little girl like you. I used to watch Crystal Palace too. It's a strange time, but it will get better soon. And we'll be able to see you all again." – Pat, Whitgift Care resident

Phone a friend: caring for family carers

The pandemic has had a varied and wide-reaching impact on carers. With the person they care for needing to be shielded, many family carers had to cancel any outside support they received – leaving them physically and emotionally exhausted. With its Carers Support Centre closed, the Carers Information Service decided to offer its respite service over the phone – offering carers someone to talk to, someone who understands their situation, and someone who can offer practical advice and even cognitive behavioural therapy. While it may seem a simple solution, the service has been a lifeline for many, who felt they had nowhere else to turn.

Carers offered 'life changing' bereavement counselling

Sadly, for some carers, the pandemic meant saying goodbye to the loved one they cared for. And with things understandably moving much slower than usual, many went weeks without being able to arrange funerals to say goodbye properly. With no one to talk to, some were left totally lost in their grief. When the impact on carers became clear, the Carers Information Service ramped up its bereavement service, offering weekly telephone counselling sessions to those affected, as well as helping many with financial assistance for a funeral.

"The pain of losing my dad will never go away, but you've made it easier for me to understand that I did my best and couldn't have changed things. You've changed my life."

Residents embrace new technology to FaceTime with friends & family

For older generations in particular, there is still something special about receiving a card or a letter. But with no visitors at all in lockdown – residents at Whitgift House have been embracing new technology to get their face time with loved ones. With the help of staff, residents have been using iPads to FaceTime with their friends and family and have even been getting to grips with a brand new Alexa – using the device to play old songs, watch movies, or just to check the time or the weather.

Trinity students run to Malawi (and back again) for charity

In the absence of their usual sports day, students at Trinity set out to make it to Malawi during lockdown. All told, students ran, walked, and cycled a collective 11,811 miles – enough to make it to their partner school in Chipwepwete, and half the way back too. The challenge not only helped students stay active during lockdown, but also helped raise almost £2,000 to stop children going hungry, both in Malawi and here the UK, with funds being split between Hope4Malawi and The Trussell Trust.

Whitgift House resident knits tiny clothes for premature baby

After hearing about a little boy born so prematurely that his family were struggling to find clothes that would fit – Whitgift House resident Daphne got straight to work on a new cardie for baby Jamie. Daphne took a keen interest in the little boy's development – and was delighted to hear that Jamie is happy and healthy, growing more and more every day at home with his family.

We EXCEL

- even in the face of adversity

Trinity alumnus performs lockdown recitals from his balcony in Valencia

Trinity alumnus and professional opera singer Joel Williams has given his neighbours quite the show during lockdown – performing masterful renditions of classic operatic pieces from his balcony each evening to thunderous applause. One of the first cities to go into lockdown, touching videos of musicians in Valencia performing from their balconies quickly went viral, inspiring similarly beautiful performances all over the world.

Wilhelmina House ranked in the top 20 care homes in London

Wilhelmina House has once again been ranked in the top 20 care homes in London by leading review site www.carehome.co.uk. The rankings are based on reviews by residents and their families and cover everything from cleanliness and quality of food to dignity and quality of care. The home's day care service, the 1596 Club, also received glowing praise for the various activities it runs throughout the week for both full time residents and day visitors.

"I cannot praise the home too highly. The accommodation is so comfortable, the garden delightful, and the food excellent. The whole atmosphere is one of friendliness, peace, and contentment. A care home could not be better." – one of many recent five-star reviews

'Stunning' Joint Schools Concert marks Fairfield Halls grand re-opening

Old Palace, Trinity, and Whitgift all came together in concert for the first time ever last October in a stunning performance to mark the grand re-opening of the Fairfield Halls. Described as 'stunning' and 'enthalling' by those in attendance, the Joint Schools Concert saw more than 450 students and staff take to the stage to perform a spectacular programme of choral and orchestral pieces, including two original pieces never performed before. The opening *Fanfare*, composed by Whitgift student William Brotherhood, and *Te Deum*, by the award-winning Jack Oades, were both written especially for the occasion. From start to finish, the concert was a wonderful showcase of what these three very special schools can do for the boys and girls who attend them and a fitting tribute to our charity's founder. It is thanks to his legacy that our charity is able to support important cultural venues like the Fairfield Halls and ensure boys and girls from all sorts of backgrounds can aspire to have the very best education and opportunities.

"The whole event was of the highest order. From the first note to the last, there was nothing to suggest I was listening to school children rather than top tier professionals. A truly enjoyable and totally stunning showcase of an evening." – Martin Corney, Chief Executive, John Whitgift Foundation

Activities organiser at Whitgift House excels in

Carefully planned activities have a huge role to play in residents' wellbeing and quality of life – empowering them to use their independence and encouraging them to engage socially and build self-esteem. To ensure residents at Whitgift House continue to get the best quality care, its Activities Organiser, Angela, spent lockdown completing her NVQ Level 2 in Supporting Activity Provision in Social Care – which takes about five months to complete.

Students excel across the board

Despite the unique challenges this academic year has posed, students at Old Palace, Trinity, and Whitgift have all enjoyed a strong set of academic results. At Old Palace, 25% of all A-Level entries were awarded the top grade of A*, with 93% achieving A*, A, or B. GCSEs were similarly impressive, with 32% of all entries awarded the top grade of 9. At Trinity, the vast majority of A-Level students secured a place at their chosen university. While Whitgift also enjoyed success across the board – particularly its IB results, with students receiving an average score of 39/45, with more than half achieving a score of 40+ – something typically only achieved by 10% of students worldwide. And while extra-curricular competition was understandably somewhat muted during the academic year, there are still successes to celebrate. Old Palace celebrated success on the national stage, winning the 2020 Mighty Nose Poetry Competition, seeing their U18 Water Polo team making it to the National Finals, winning the 2020 Physics Olympiad Junior Challenge, and seeing one of their students accepted into the National Youth Theatre.

Can't lock a good choir down

From a haunting recital of *Dormi Jesu* by Trinity Boys Choir to Old Palace's funky rendition of *September* by Earth, Wind & Fire – performing arts enthusiasts from across our broad and diverse community have taken things online in lockdown. Trinity even launched an entire *Lockdown Series* YouTube channel – featuring an eclectic mix of performances including guitar quartets, jazz piano, and haunting choral arrangements. A wonderful example of the incredible power music has to bring people together.

Trinity artist paints portrait of key worker to raise funds for NHS

Lilian McCann, a member of Trinity's art department, has joined hundreds of British artists who have painted portraits of NHS workers as part of the #portraitsforhsheroes initiative. Lily's portrait will form part of a virtual exhibition to raise funds for NHS Charities Together, supporting the ongoing Covid-19 relief effort.

"In the past, portraits have been seen as a status symbol, something to celebrate someone, and elevate them in the eyes of others... who should line the walls of our galleries, for future generations look back on? The people who really made a difference and stepped up in our darkest hour – NHS workers" – Tom Croft, the famous portrait artist who began the #portraitsforhsheroes initiative

FUNDRAISING

The Charity has not conducted any fundraising activity in the year, and we have not employed any third party to fund raise on our behalf. We do accept donations which can be made via our website or by post. We have received no complaints about fundraising, and we have a complaints policy in place should any be received in future.

Fundraising initiatives have commenced at Trinity and Whitgift schools and these are targeting funds to provide for additional bursary awards over and above those given from the Foundation.

THE WHITGIFT FOUNDATION

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

SCHOOL DEVELOPMENT ACTIVITY

All three schools have continued to work hard to build relations with their respective alumni and invite them to various networking events and school activities.

FINANCIAL REVIEW

The year to 31 August 2020 was impacted by the COVID-19 pandemic from March to the year end. The Foundation made a deficit of £7.7m after accounting for unrealised net losses of £3.9m. The pandemic affected the net commercial rental income £2.2m (2019: £2.7m) as rents became more difficult to collect and the investment property value reduced further to a value of £54.5m (Previous Year £65.2m).

The school fee income remains the main source of income for the Foundation but reduced to £46.1m (previous year £47.0m) net of scholarships and bursaries of £11.6m (previous year £11.8m) mainly as a result of the Foundation providing not only discounts to the parents for the summer term (12%) but providing further assistance through a hardship fund (£0.5m).

The expenditure incurred in operating the three schools increased by less than 1% from £60.8m to £62.2m during the year.

A further impact was that the trading activities of the subsidiary JW Educational Ltd was suspended in March 2020.

The Foundation took advantage of the furlough scheme and received £1.3m during the year to August 2020. The majority of this related to support staff in schools.

Other educational income reduced to £3.7m (previous year £5.2m) due to the cancellation of educational activities as a result of Covid not only closing the schools but closing national borders.

The impact of COVID-19 on care was different than the schools in that it has remained open all year but applying the government guidelines from Public Health England on care of residents and access to those residents.

Whitgift Care income remained the same during the year at £3.6m (previous year £3.6m) although this was more than offset by the increasing operational costs to deliver the charitable activity.

The Foundation has a significant investment portfolio that is managed by three independent investment managers. Income generated from the investment portfolio fell year on year from £8.6m to £7.7m, and investment property costs decreased from £2.8m to £2.6m.

The governors monitor closely the competing demands on its funds and the utilisation of longer-term assets that sustain the delivery of our charitable activities. The various property development plans were suspended as a reflection of the COVID-19 impact and remains suspended after 31 August 2020.

The results for the year are then adjusted for unrealised gains and losses on the investment portfolio which are a reflection of the market value of our investments and property assets at the year-end date. These were some £0.5m lower than the year ending August 2019 for our equity investments and £13.6m lower for our property investments. Whilst this is an accounting loss, it is not reflected in cash terms, and the governors are mindful of their responsibilities to maintain the operational assets of the Foundation and will only plan to draw down on the funds held as and when required.

Depreciation charged in the year was £1.7m and as with the unrealised losses this is not reflected in cash terms.

THE WHITGIFT FOUNDATION

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Finally, the Foundation contributes to a defined benefit pension scheme, which is consolidated into these accounts. The valuation of this liability fluctuates year on year with the change in actuarial assumptions and investment performance as notified by the Foundations actuaries and advisors. In the current year this has seen a non-cash movement on the fund from a £3.37m surplus to £3.41m surplus. As the surplus is not considered to be recoverable by the Foundation, no asset has been included at the year-end date in line with accounting standards.

JW Educational Ltd is a trading company wholly owned by the Foundation and its prime operation is to support the business activities for the school shop and sports centre at Whitgift School and the sports club at Trinity School. Trading was suspended in March 2020 because of the enforced restrictions by the Government in response to the serious outbreak of COVID-19 at pandemic level. This led to both a reduction in turnover and costs. The turnover in the year of these accounts was £0.8m (previous year £1.0m) and the operating profit was £0 after gift aid of £81,466 (previous year £119,916) paid to the Foundation.

Whitgift Construction CIC is a trading company wholly owned by the Foundation and its operation was construction services for the Whitgift boarding house. The company did not trade during the year and is dormant.

FUTURE PLANS

Our schools will continue to respond to the challenges of providing excellent education for young people. Each school has a capital development masterplan which will require careful financial planning.

Our strategy for developing our care services is under review and cost efficiencies are being implemented to ensure that the charitable support is aligned to benefit those individuals living at our homes and supporting their needs appropriately. We will also be considering ways to ensure that our support to carers in Croydon continues in a cost effective and measurable way.

The Foundation has identified the need for additional investment in its IT infrastructure and services to improve efficiencies and network security. Work on this accelerated this year and in the coming year rollout of key Foundation software systems are expected.

**THE WHITGIFT FOUNDATION
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

Statement of the Court of Governors' responsibilities for the financial statements

The Court is responsible for preparing the Governors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the governors to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the charity and the group as at the balance sheet date and of its net movement in funds, including income and expenditure of the charity and the group for the year then ended.

In preparing those financial statements which give a true and fair view, the governors should follow best practice and:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 assume that the charity will continue on that basis

The governors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and the group in compliance with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and other applicable laws. The governors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

haysmacintyre has expressed its willingness to continue in office as auditors. A resolution proposing that haysmacintyre be reappointed as auditors of the charity for the forthcoming year will be put to the next full meeting of the Court.

Approved by the Court at its meeting on 3 December 2020 and signed on its behalf by the Chairman:



Chairman
3 December 2020

INDEPENDENT AUDITORS REPORT TO THE BOARD OF GOVERNORS OF THE WHITGIFT FOUNDATION

Opinion

We have audited the financial statements of The Whitgift Foundation for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and the 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 2020 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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 trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITORS REPORT TO THE BOARD OF GOVERNORS OF THE WHITGIFT FOUNDATION

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent charity, or 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.

Use of our report

This report is made solely to the charity's trustees, 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 trustees 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 trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP.

Haysmacintyre LLP
Statutory Auditors

22 December 2020

10 Queen Street Place
London
EC4R 1AG

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

THE WHITGIFT FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted & Endowment Funds £	Total 2020 £	Total 2019 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
School fees receivable	2	46,137,160	-	46,137,160	47,011,837
Other educational income	3	3,660,266		3,660,266	5,246,561
Nursing and Care		188,575	3,429,938	3,618,513	3,645,627
Other trading activities					
Income generated by trading subsidiary	10	794,304	-	794,304	1,034,155
Investments					
Bank and other interest	4	-	-	-	8,810
Investment income	4	7,715,526	16,468	7,731,994	8,572,365
Voluntary sources					
Voluntary Income	5	5,161,260	-	5,161,260	59,017
Other		-	644,257	644,257	265,795
Total Income		<u>63,657,091</u>	<u>4,090,663</u>	<u>67,747,754</u>	<u>65,844,167</u>
EXPENDITURE ON:					
Raising funds					
Investment management		305,828	10,206	316,034	259,198
Investment property expenses		2,593,989	-	2,593,989	2,833,207
Trading Company costs		692,838	-	692,838	894,239
Net income available for charitable application		<u>60,064,436</u>	<u>4,080,457</u>	<u>64,144,893</u>	<u>61,857,523</u>
Charitable activities					
School operating costs		61,771,282	441,761	62,213,043	60,811,272
Nursing and care		1,109,641	4,587,534	5,697,175	5,858,033
Total charitable expenditure		<u>62,880,923</u>	<u>5,029,295</u>	<u>67,910,218</u>	<u>66,669,305</u>
Total expenditure		<u>66,473,578</u>	<u>5,039,501</u>	<u>71,513,079</u>	<u>70,655,949</u>
Net expenditure/income before investment gains and losses		<u>(2,816,487)</u>	<u>(948,838)</u>	<u>(3,765,325)</u>	<u>(4,811,782)</u>
Gains on equity investments		6,800,361	10,067	6,810,428	7,347,537
(Losses)/Gains on property investments	9	(10,701,010)	-	(10,701,010)	(24,345,000)
Net income/(expenditure)		<u>(6,717,136)</u>	<u>(938,771)</u>	<u>(7,655,907)</u>	<u>(21,809,245)</u>
Transfers between funds	13	(1,140,419)	1,140,419	-	-
Actuarial gain	18	-	-	-	81,000
Net movement in funds		<u>(7,857,555)</u>	<u>201,648</u>	<u>(7,655,907)</u>	<u>(21,728,245)</u>
Balances at 1 September 2019		<u>227,895,845</u>	<u>1,621,315</u>	<u>229,517,160</u>	<u>251,245,405</u>
Balances at 31 August 2020		<u><u>220,038,290</u></u>	<u><u>1,822,963</u></u>	<u><u>221,861,253</u></u>	<u><u>£229,517,160</u></u>

Included within unrestricted donations and designated funds carried forward is an amount of £3.8m received in the year which is a permanent endowment. It is amalgamated within designated funds with other balances held for educational purposes but is held separately from other designated funds. Income arising is used for the general educational purposes of The Whitgift Foundation.

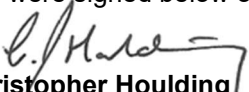
The analysis between the permanent endowment and restricted funds is given in the balance sheet. During the year the movements on the permanent endowment fund were immaterial. The balance of the fund is considered to be insufficiently material to warrant separate disclosure in the Statement of Financial Activities and has therefore been included within restricted funds. All the above results are derived from continuing activities. There are no other gains or losses other than those stated above. (Full comparative figures for the year ended 31 August 2019 are shown in note 19. The accompanying notes are an integral part of this statement.)

THE WHITGIFT FOUNDATION
GROUP AND CHARITY BALANCE SHEETS
AS AT 31 AUGUST 2020

	Notes	<u>GROUP</u>		<u>CHARITY</u>	
		2020 £	2019 £	2020 £	2019 £
FIXED ASSETS					
Tangible assets	8	51,275,429	52,574,519	51,275,429	52,574,519
Investments	9	182,431,049	186,561,371	182,431,051	186,561,373
		<u>233,706,478</u>	<u>239,135,890</u>	<u>233,706,480</u>	<u>239,135,892</u>
CURRENT ASSETS					
Stocks		141,263	154,903	-	-
Debtors	11	3,088,429	3,620,383	3,226,825	3,775,530
Short term deposits		8,068	8,047	8,068	8,047
Cash at bank and in hand		414,335	336,678	389,557	272,764
		<u>3,652,095</u>	<u>4,120,011</u>	<u>3,624,450</u>	<u>4,036,341</u>
CURRENT LIABILITIES					
Creditors - due within one year	12	(15,497,320)	(13,688,524)	(15,469,677)	(13,604,856)
NET CURRENT LIABILITIES		<u>(11,845,225)</u>	<u>(9,568,513)</u>	<u>(11,845,227)</u>	<u>(9,568,515)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>221,861,253</u>	<u>229,567,377</u>	<u>221,861,253</u>	<u>229,567,377</u>
Creditors – due after one year	12	-	(50,217)	-	(50,217)
NET ASSETS BEFORE PENSION SCHEME LIABILITIES		<u>221,861,253</u>	<u>229,517,160</u>	<u>221,861,253</u>	<u>229,517,160</u>
Pension scheme liabilities	18	-	-	-	-
TOTAL NET ASSETS		<u><u>221,861,253</u></u>	<u><u>£229,517,160</u></u>	<u><u>221,861,253</u></u>	<u><u>£229,517,160</u></u>
Represented by:					
ENDOWMENT FUNDS	13	215,518	215,518	215,518	215,518
RESTRICTED FUNDS	13	1,607,445	1,405,797	1,607,445	1,405,797
UNRESTRICTED FUNDS					
Designated funds	14	220,038,290	227,895,845	220,038,290	227,895,845
TOTAL FUNDS		<u><u>221,861,253</u></u>	<u><u>£229,517,160</u></u>	<u><u>221,861,253</u></u>	<u><u>£229,517,160</u></u>

Included within investments and designated funds carried forward is an amount of £3.8m received in the year which is a permanent endowment. It is amalgamated within designated funds with other balances held for educational purposes but is held separately from other designated funds. Income arising is used for the general educational purposes of The Whitgift Foundation.

The financial statements were approved and authorised for issue by the Court of Governors on 3 December 2020 and were signed below on its behalf by:


Christopher Houlding
Chairman of the Court of Governors


Martin Corney
Clerk to The Whitgift Foundation

The accompanying notes are an integral part of this balance sheet.

THE WHITGIFT FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

	2020		2019	
	£	£	£	£
RECONCILIATION OF NET INCOME TO NET CASH				
INFLOW FROM OPERATING ACTIVITIES				
Net expenditure	(3,765,325)		(4,811,782)	
Dividends, interest and rent from investments	(7,715,526)		(8,567,859)	
Investment property expenses	2,593,989		2,833,207	
Depreciation	1,707,304		1,810,349	
Pension adjustment	-		81,000	
Adjustment for opening stock and fixed assets on consolidation	-		-	
Operating deficit		(7,179,558)		(8,655,085)
(Increase)/Decrease in stock	13,640		(38,409)	
(Increase)/Decrease in debtors	531,954		965,397	
Increase/(Decrease) in creditors	266,613		1,447,942	
		<u>812,207</u>		<u>2,374,930</u>
CASH FLOW STATEMENT				
Net cash flow from operating activities		(6,367,351)		(6,280,155)
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends from investments	2,921,359		3,044,477	
Interest from investments	0		8,810	
Rent from investments	4,794,167		5,514,573	
Investment property expenses paid	(2,593,989)		(2,833,207)	
Proceeds on sale of fixed assets	-		-	
Purchase of fixed assets	(408,213)		(427,661)	
Sale of investments	35,697,548		21,713,554	
Purchase of investments	(35,228,749)		(21,251,438)	
Decrease/Increase in investment cash	(229,059)		2,631,995	
Net cash provided by (used in) investing activities		4,953,064		8,401,103
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		(1,414,287)		£2,120,948
Cash and cash equivalents at beginning of period		(2,732,424)		(4,853,372)
Cash and cash equivalents at end of reporting period		(4,146,711)		(2,732,424)
		<u>(1,414,287)</u>		<u>£2,120,948</u>
ANALYSIS OF NET DEBT				
		2019	Cash flow	2020
		£	£	£
Cash and short-term deposits		344,725	77,678	422,403
Bank loan and overdraft		(3,077,149)	(1,491,965)	(4,569,114)
		<u>(2,732,424)</u>	<u>(1,414,287)</u>	<u>(4,146,711)</u>

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - Second Edition.

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

The accounts are approved during the continued uncertainty of COVID-19 that included a UK wide lockdown and the closure of the schools from March 2020. The schools introduced a distance learning program successfully to ensure the continued education of the pupils. The schools re-opened in September 2020.

In recognition of COVID-19 impact on parents' finances the Foundation governors agreed to give a discount to all pupils at the three schools (12%). A further hardship fund of (£476K) was created and used for those parents with special difficulties.

The Foundation's response was to continue its contingency planning arrangements for such circumstances.

The ultimate impact of COVID-19 on the Foundation, the UK and globally remains uncertain both in terms of the economy and the direct impact on the activities of the Foundation. However, having reviewed the funding facilities available to the Foundation together with the expected future cash flows, the governors have a reasonable expectation that the Foundation will have adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the Foundation's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The Foundation is a Public Benefit Entity, incorporated under Royal Charter and registered as a charity in England and Wales (charity number 312612). The registered address of the Foundation is North End, Croydon, CR9 1SS.

Critical accounting judgments and key sources of estimation uncertainty

In the application of the accounting policies, governors are required to make judgments, 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 governors, the principal judgments are in relation to the valuation of investment properties.

1. ACCOUNTING POLICIES (continued)

Income

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Foundation's financial statements. In line with the SORP, income is recognised when the Foundation is entitled to the income, receipt is probable, and the amount concerned can be measured reliably. The policies in relation to specific areas of income are set out as follows:

Turnover

Turnover is the amount derived from ordinary activities, and stated after trade discounts and net of VAT. **Fees and other earned income (including income from nursing and care)**

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

Investment income

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

Donations, legacies, grants and other voluntary incoming resources

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

Voluntary income for the Foundation's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund.

Government grant income represents the total amount claimed from HMRC under the Coronavirus Job Retention Scheme (CJRS also known as furlough grant). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure attributable to more than one cost category in the Statement of Financial Activities is apportioned to them on the basis of the estimated amount attributable to each activity in the year, either by reference to staff time or the use made of the underlying assets, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Costs of raising funds comprise those costs associated with the management of the Foundation's investments and investment properties.

Support costs which cannot be directly allocated are apportioned between charitable activities on the basis of governors' estimate of the time spent on the relevant functions or an estimated usage.

Tangible fixed assets

Tangible assets comprise those properties held by the Foundation at 1 April 1956 and those held in respect of Old Palace School at a nominal cost of £1, plus additions thereafter at cost.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Expenditure on the acquisition, construction or enhancement of land and buildings together with vehicles, furniture, machinery, ICT infrastructure and other equipment costing more than £10,000 are capitalised and carried in the balance sheet at historical cost. Other expenditure on equipment incurred in the normal day-to-day running of the Foundation is charged to the Statement of Financial Activities as incurred. Individual items costing less than £10,000 are normally written off as an expense on acquisition on the grounds that the impact is not material.

Depreciation is provided to write off the cost of all relevant tangible fixed assets less estimated residual value based on current market prices, in equal annual instalments over their expected useful economic lives as follows:

Freehold property	- 2% on cost on a straight line basis
Leasehold property	- 4% on cost over the life of the lease
Artificial pitch	- 5% on cost on a straight line basis
Solar panel roofing	- 5% on cost on a straight line basis
Furniture and equipment:	
- Computer equipment	- 33% on cost on a straight line basis
- Motor vehicles	- 25% on cost on a straight line basis
- Furniture and equipment	- 20% on cost on a straight line basis

Investments

Listed investments are valued at market value as at the balance sheet date. In line with FRS 102 bid value is used as the basis of valuation. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets. Investments in subsidiaries are valued at cost less provision for impairment.

Fund accounting

The charitable trust funds are accounted for as unrestricted or restricted income in accordance with the terms of trust imposed by the donors or any appeal to which they may have responded.

Funds

The Foundation maintains four types of fund:

- i. Endowment – where the capital is held in perpetuity and income generated used for charitable purposes
- ii. Restricted – where the purposes for which funds may be used have been restricted by donors
- iii. Designated – where the funds are unrestricted but where the Trustees have designated them for a specific purpose
- iv. General – where the funds are unrestricted and not designated.

Endowment funds

The amount shown in the Balance Sheet of £215,518 (2019: £215,518) represents the value of the original endowment of the Almshouses from John Whitgift in 1596 and the A.G.E. Jones Will Trust, a fund set up from a legacy from a former pupil to provide a prize for Trinity School pupils from the income of the fund. Endowment funds are presented in combination with restricted funds on the face of the Statement of Financial Activities on the basis that the endowment funds are considered to be immaterial in total.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Pension costs

Retirement benefits to employees of the Foundation are provided through three pension schemes. The pension costs charged in the Statement of Financial Activities are determined as follows:

- (a) The Teachers' Pension Scheme - this scheme is a multi-employer pension scheme. It is not possible to identify the Foundation's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and, therefore, as required by FRS 102, accounts for the scheme as if it were a defined contribution scheme. The Foundation's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable.
- (b) The Foundation operates a separate define benefit pension scheme which is revalued on a triannual basis.
- (c) The Foundation operates a Group Personal Pension Plan, the assets of which are held separately from those of the Foundation in separately administered fund.

Consolidated accounts

The group financial statements represent the activities of the Foundation consolidated with its trading subsidiary JW Educational Limited (company number 03470213). The subsidiary has been consolidated on a line by line basis. No Statement of Financial Activities has been disclosed for the charity before consolidation, however the net movement in funds before consolidation was (£7,655,907).

The Foundation also has a dormant subsidiary, Whitgift Construction CIC (company number 07441486), which has not been consolidated on the grounds that non-consolidation is immaterial as the entity is not currently trading.

Operating leases

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

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Stocks

Stocks are stated at the lower of cost and net realisable value.

2. FEES

	2020	2019
	£	£
Fees receivable consist of:		
Gross fees	57,763,466	58,830,050
Total bursaries, grants and allowances	(11,626,306)	(11,818,213)
Fees receivable from parents	<u>46,137,160</u>	<u>47,011,837</u>

3. OTHER INCOME

	2020	2019
	£	£
Other educational income		
Entrance and music fees	182,505	161,687
Sub-letting and membership	979,265	2,001,882
Trips and excursions	2,447,373	3,082,992
Other	51,123	-
	<u>3,660,266</u>	<u>5,246,561</u>

4. INVESTMENT INCOME

	2020		2019	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Investment Properties	4,794,167	-	5,514,573	-
UK Listed	2,071,703	-	1,990,588	-
Non-UK Listed	827,614	-	1,031,527	-
Other UK Unlisted	22,042	16,468	21,411	14,266
UK Cash held as investments	-	-	2,116	-
Short term deposits	-	-	33	-
	<u>7,715,526</u>	<u>16,468</u>	<u>8,566,909</u>	<u>14,266</u>

The investment property income of £4,794,167 (£5,514,573 2019) relates to operating leases of variable lengths with multiple terms and conditions.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. VOLUNTARY INCOME

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Donations and legacies	3,826,035	-	3,826,035	59,017
National Heritage grants	81,000	-	81,000	-
Government grants - furlough	1,254,225	-	1,254,225	-
	<u>5,161,260</u>	<u>-</u>	<u>5,161,260</u>	<u>59,017</u>

Government grant income represents the total amount claimed from HMRC under the Coronavirus Job Retention Scheme (CJRS also known as furlough grant). The income is accounted for in the period in which the associated salary payments are made to furloughed staff.

6a. ANALYSIS OF EXPENDITURE

	2020 £	2019 £
Net income is stated after charging:		
Auditors' remuneration – audit fees	45,800	41,970
Auditors' remuneration – other services	33,329	10,170
Depreciation	<u>1,707,304</u>	<u>1,814,601</u>

6b. ANALYSIS OF EXPENDITURE- CURRENT YEAR

	Staff costs £	Other costs £	Depreciation £	2020 Total £
School operating costs				
Teaching costs	26,657,762	6,425,326	-	33,083,088
Welfare	-	1,780,993	-	1,780,993
Premises	-	8,052,918	1,478,525	9,531,443
Support costs	11,911,736	3,944,468	-	15,856,204
Grants, awards and prizes	-	439,953	-	439,953
Management & administration	-	1,521,362	-	1,521,362
Pension adjustment	-	-	-	-
	<u>38,569,498</u>	<u>22,165,020</u>	<u>1,478,525</u>	<u>62,213,043</u>
Nursing and care				
Nursing	2,351,236	327,399	-	2,678,635
Welfare	-	503,575	-	503,575
Premises	-	1,122,813	228,779	1,351,592
Support costs	918,915	193,813	-	1,112,728
Administration expenses	-	50,645	-	50,645
	<u>£3,270,151</u>	<u>£2,198,245</u>	<u>£228,779</u>	<u>£5,697,175</u>

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

6b. ANALYSIS OF EXPENDITURE- CURRENT YEAR (continued)

Included in support costs are governance costs of £193,194 (2019: £439,161)

Support costs comprise:

Wages and salaries	12,830,652
Facilities	3,227,004
Professional fees	0
Other	911,277

6b. ANALYSIS OF EXPENDITURE – PRIOR YEAR

	Staff costs £	Other costs £	Depreciation £	2019 Total £
School operating costs				
Teaching costs	25,030,152	7,852,102	-	32,882,254
Welfare	-	2,382,995	-	2,382,995
Premises	-	8,658,675	1,509,941	10,168,616
Support costs	10,594,224	3,470,727	-	14,064,951
Grants, awards and prizes	-	241,904	-	241,904
Management & administration	-	989,553	-	989,553
Pension adjustment	-	81,000	-	81,000
	<u>£35,624,376</u>	<u>£23,676,955</u>	<u>£1,509,941</u>	<u>£60,811,272</u>
Nursing and care				
Nursing	2,276,721	292,034	-	2,568,755
Welfare	-	548,351	-	548,351
Premises	-	1,421,530	234,531	1,656,061
Support costs	821,132	251,421	-	1,072,553
Administration expenses	-	12,312	-	12,312
	<u>£3,097,853</u>	<u>£2,525,648</u>	<u>£234,531</u>	<u>£5,858,033</u>

Included in support costs are governance costs of £439,161 (2018: £148,164)

Support costs comprise:

Wages and salaries	11,415,356
Facilities	3,675,045
Professional fees	44,050
Other	21,053

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. STAFF NUMBERS AND COSTS

	2020 No.	2019 No.
The average number of employees was:		
Schools	755	737
Whitgift House	60	60
Wilhelmina House	20	19
Almshouses	10	10
Office	34	35
Carers' Information Service	12	12
	<u>891</u>	<u>873</u>
The costs incurred in respect of these employees were:		
	£	£
Wages and salaries	31,528,209	30,657,002
Social Security costs	3,370,667	3,207,263
Pension costs	6,778,347	4,753,231
Termination payments	17,138	30,000
	<u>41,694,361</u>	<u>38,647,496</u>
Aggregate employee benefits of key management personnel	<u>£1,077,455</u>	<u>£1,105,701</u>

The key management personnel comprise of the Foundation Senior Leadership teams.

The number of higher paid employees with emoluments exceeding £60,000 was:

	2020 No.	2019 No.
£60,001 - £70,000	48	44
£70,001 - £80,000	15	12
£80,001 - £90,000	4	6
£90,001 - £100,000	2	2
£100,001 - £110,000	1	1
£140,001 - £150,000	1	1
£150,001 - £160,000	-	-
£160,001 - £170,000	-	-
£170,001 - £180,000	1	2
£180,001 - £190,000	1	0
£200,001 - £210,000	1	1

7a. GOVERNORS EXPENSES AND RELATED PARTIES

No remuneration was paid to the governors during the year.

The aggregate amount of expenses reimbursed to 0 (2019:3) of the governors during the year was £0 (2019: £1,813). There are 3 governors whose children attend the schools.

Other than as stated above no governor or any person related to the Foundation had any personal interest in any transactions entered into in the period.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. TANGIBLE FIXED ASSETS – GROUP

	Freehold property £	Leasehold property £	Furniture & equipment £	Freehold under construction £	Total £
LAND AND BUILDINGS					
At 31 August 2019	77,914,889	1,914,309	5,140,644	-	84,969,842
Assets reclassified	(123,711)			123,711	
Additions	-	-	£26,557	381,656	408,213
Disposals	-	-	(4,241,830)	-	(4,241,830)
At 31 August 2020	<u>77,791,178</u>	<u>1,914,309</u>	<u>925,371</u>	<u>505,367</u>	<u>81,136,225</u>
DEPRECIATION					
At 31 August 2019	26,070,053	1,367,146	4,958,123	-	32,395,222
Charge for the year	1,539,429	76,572	91,303	-	1,707,304
Disposals	-	-	(4,241,830)	-	(4,241,830)
At 31 August 2020	<u>27,609,482</u>	<u>1,443,718</u>	<u>807,596</u>	<u>-</u>	<u>29,860,796</u>
NET BOOK VALUE					
At 31 August 2020	<u>50,181,696</u>	<u>470,591</u>	<u>117,775</u>	<u>505,367</u>	<u>51,275,429</u>
At 31 August 2019	<u>51,844,836</u>	<u>547,163</u>	<u>182,521</u>	<u>-</u>	<u>52,574,520</u>

Included in the above assets are assets owned by JW Educational Ltd with a net book value at 31 August 2020 of £nil (2018 - £nil).

There are certain properties including the schools and the care homes that are considered operational assets and therefore have never been valued in our reported accounts. An exercise was recently undertaken to assess the value of these assets by independent valuers resulting in a reported valuation of £150,855,000.

9. INVESTMENT PROPERTIES – CHARITY AND GROUP

	2020 £	2019 £
Market value		
At 1 September	65,176,010	88,825,000
Additions	-	696,010
Disposals	-	-
Transfer to current assets	-	-
Revaluations	(10,701,010)	(24,345,000)
	<u>£54,475,000</u>	<u>£65,176,010</u>

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. INVESTMENT PROPERTIES (continued)

The market values stated above include a revaluation surplus of £35,433,699 (2019: £46,134,709).

The Whitgift Foundation 1974 Retirement Fund has charge over the property and income of 36 North End Road, Croydon.

The investment properties are stated at their open market value as determined by Stiles Harold Williams Partnership LLP and Cushman and Wakefield, consultant surveyors and valuers.

Included within investment assets are a mixture of residential and retail properties owned by the Foundation which are held for investment purposes. These properties are revalued on a cyclical basis and included in the financial statements at market value.

There has been continued uncertainty during the latter part of the year in the property market and on the economy due to the impact of COVID-19.

At the date of approval of these accounts values of investment properties have not been materially further affected however governors continue to monitor the situation.

Included within the investment assets is the Whitgift Centre. The Whitgift Centre is a substantial shopping centre which over the last few years has been included in redevelopment proposals as part of the strategic plans of the London Borough of Croydon to help regenerate Croydon town centre. The Foundation has entered into a collaboration agreement with Westfield Corporation to redevelop the site.

A revaluation took place at 31 August 2020 by the surveyors Knight Frank which indicated a total value of £54.5m, incorporating certain properties on the site let on long leases to third parties (2019: £69.4m).

9. FIXED ASSET INVESTMENTS - CHARITY

	2020	2019
	£	£
Market value		
At 1 September	120,543,780	114,354,376
Additions	35,228,749	20,555,428
Disposals	(36,732,772)	(21,202,580)
Revaluations	7,845,650	6,836,556
	<u>£126,885,407</u>	<u>£120,543,780</u>
Cash held as part of investment portfolio	1,070,642	841,583
At 31 August 2020	<u>£127,956,049</u>	<u>£121,385,363</u>

Investments held are categorised as follows:

	2020	2019
	£	£
UK listed investments	79,171,225	78,730,018
Non-UK listed investments	46,212,473	40,340,439
Other UK unlisted securities	1,501,707	1,473,321
UK cash held	1,070,642	841,583
Investment in subsidiary	2	2
	<u>£127,956,049</u>	<u>£121,385,363</u>

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. FIXED ASSET INVESTMENTS – CHARITY (continued)

The listed and unlisted investments and securities above are financial assets held at fair value.

The market values stated above include a revaluation surplus of £26,009,944 (2019: £18,414,094).

UK listed investments and Non-UK listed investments are stated at their market value as at 31 August 2020 determined by Sarasin & Partners LLP, CCLA Investment Management Limited, Veritas Investment Management and NCL Investment Limited. Other UK Unlisted Securities are stated at their market value as at 31 August 2020 as determined by CCLA Investment Management Limited.

Governors continue to be aware of the impact of COVID-19 on the value of investment assets, however the Foundation portfolios increased during the year. The Foundation has historically invested in low risk portfolios.

The Foundation has no plans to realise investments. With the uncertainty over the ultimate impact on values, no adjustment has been made in these financial statements to the values at 31 August 2020.

Fixed asset investments for the group are £2 lower than the above reflecting the elimination of the investment in JW Educational Ltd on consolidation. The Whitgift Foundation has two wholly owned subsidiaries. In respect of both J.W. Educational Limited and Whitgift Construction CIC, The Whitgift Foundation has a holding of two ordinary shares. Both companies are incorporated in England and Wales. Further details are provided in note 10 below.

10. NET INCOME FROM TRADING ACTIVITY OF SUBSIDIARY

The Charity has two wholly owned subsidiaries. The first is J.W. Educational Limited (company number 03470213), which trades as a retailer of school clothing and manages the trading activities of the Whitgift Sports Hall. The company covenants its taxable profits to The Whitgift Foundation under deed of covenant and a summary of its trading results are shown below.

	2020	2019
	£	£
Turnover	794,304	1,034,155
Cost of sales	(661,920)	(774,726)
Gross profit	<u>132,384</u>	<u>259,428</u>
Administrative Expenses	(50,918)	(139,513)
	<u>81,466</u>	<u>119,916</u>
Gift aid paid to the Foundation	(81,466)	(119,916)
Net profit / (loss)	<u><u>-</u></u>	<u><u>-</u></u>

The other wholly owned subsidiary company is Whitgift Construction CIC (company number 07441486), whose principal activity is construction services for the Whitgift Boarding House. During the current and previous year the company did not trade and is dormant.

THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. DEBTORS DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	982,698	2,110,632	982,698	2,067,476
Other debtors	321,110	720,014	321,110	695,731
Amounts due from subsidiary	-	-	182,997	214,276
Prepayments	1,784,621	789,736	1,740,020	778,047
	<u>£3,088,429</u>	<u>£3,620,382</u>	<u>£3,226,825</u>	<u>£3,755,530</u>

12. CREDITORS

	GROUP		CHARITY	
	2020	2019	2020	2019
	£	£	£	£
Bank loan and overdraft	4,569,114	3,026,932	4,569,114	3,026,932
Trade creditors	4,219,700	6,637,976	4,212,794	6,611,895
Other creditors	3,130,958	1,793,450	3,310,958	1,793,450
Accruals and deferred income	2,426,037	1,431,847	2,402,845	1,374,260
Taxation and social security	1,151,511	798,320	1,153,966	789,320
	<u>£15,497,320</u>	<u>£ 13,688,525</u>	<u>£15,469,677</u>	<u>£ 13,595,857</u>
Due after one year				
Bank loan due 1 to 2 years	-	50,217	-	50,217
Bank loan due 2 to 5 years	-	-	-	-
	<u>-</u>	<u>£50,217</u>	<u>-</u>	<u>£50,217</u>

The bank overdraft facility is £10m secured against investments managed by CCLA valued at £71.6m at 31 August 2020 and against two of our properties, 62 and 64 Haling Park Road, Croydon.

**THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. RESTRICTED AND ENDOWMENT FUNDS – CURRENT YEAR

	Balance at 1 September 2019	Income	Transfers	Gains(Losses) on funds	Market value adjustments	Expenditure	Balance at 31 August 2020
	£	£	£	£	£	£	£
Restricted funds							
Cumulative Funds	350,946	0	-	2,911	-	0	353,857
Trinity Boys Choir Fund	0	104,095	(17,177)	0	(1,243)	(73,923)	11,752
FLR Smith Bequest Fund	72,860	37,103	-	-	6,197	(38,419)	77,741
Exhibitions Scholarships & Prize Bequest Funds	362,844	0	-	-	7,265	-	370,109
Almshouses Charity Fund	99,144	-	-	2197	-	-	101,341
Dr HJ Strong's Outpensions Fund	112,983	1,955	-	46	-	-	114,984
School Portrait Fund	7,218	0	-	-	(307)	(66)	6,845
Fry Trust Fund	8,248	19	-	-	(273)	(64)	7,930
Crispin Brown Memorial	20,530	378	-	-	(1,002)	(234)	19,672
Theodora Clark Fund	7,933	-	-	-	-	-	7,933
Bursary Appeal Trinity	316,389	364,166	-	-	(2,029)	(182,463)	496,063
Bursary Appeal Whitgift	1,000	22,419	-	-	-	(11,988)	11,431
Old Palace Benevolent Fund	16,219	-	-	-	-	-	16,219
Mollie Christopher Award	8,500	-	-	-	-	(1000)	7,500
AGE Jones Will Trust	20,983	130,590	-	-	(3,695)	(143,810)	4,068
	1,405,797	660,725	(17,177)	5,154	4,913	(451,967)	1,607,445
Whitgift House	-	2,141,978	973,978	-	-	(3,115,956)	-
Almshouses	-	475,088	29,323	-	-	(504,411)	-
Wilhelmina House	-	812,872	154,295	-	-	(967,167)	-
	£1,405,797	£4,090,663	£1,140,419	£,5,154	£4,913	£(5,039,501)	£1,607,445
Permanent endowment							
Original endowment	1	-	-	-	-	-	1
AGE Jones Will Trust	215,517	-	-	-	-	-	215,517
	£215,518	-	-	-	-	-	£215,518

**THE WHITGIFT FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. RESTRICTED AND ENDOWMENT FUNDS – PRIOR YEAR

	Balance at 1 September 2018	Income	Transfers	Gains(Losses) on funds	Market value adjustments	Expenditure	Balance at 31 August 2019
	£	£	£	£	£	£	£
Restricted funds							
Cumulative Funds	232,693	104,958	-	35,935	-	(22,640)	350,946
Trinity Boys Choir Fund	17,521	139,165	17,177	11,735	(12,665)	(172,933)	-
FLR Smith Bequest Fund	76,488	5,035	-	-	(2,329)	(6,334)	72,860
Exhibitions Scholarships & Prize Bequest Funds	347,234	197	-	15,413	-	-	362,844
Almshouses Charity Fund	92,634	-	-	6,510	-	-	99,144
Dr HJ Strong's Outpensions Fund	106,872	1,916	-	4,195	-	-	112,983
School Portrait Fund	7,484	119	-	(152)	57	(290)	7,218
Fry Trust Fund	8,287	3,171	-	3,076	(3,077)	(3,209)	8,248
Crispin Brown Memorial	23,378	11,431	-	11,220	(12,504)	(12,995)	20,530
Theodora Clark Fund	7,933	-	-	-	-	-	7,933
Bursary Appeal Trinity	315,185	5,847	-	-	(1,010)	(3,633)	316,389
Bursary Appeal Whitgift	1,000	-	-	-	-	-	1,000
Old Palace Benevolent Fund	16,219	-	-	-	-	-	16,219
Mollie Christopher Award	8,500	-	-	-	-	-	8,500
AGE Jones Will Trust	17,524	8,222	-	-	502	(5,265)	20,983
	1,278,952	280,061	17,177	87,932	(31,026)	(227,299)	1,405,797
Whitgift House	-	2,282,740	1,431,508	-	-	(3,714,248)	-
Almshouses	-	70,153	229,415	-	-	(299,568)	-
Wilhelmina House	-	880,166	216,144	-	-	(1,096,310)	-
	£1,278,952	£3,513,120	£1,894,244	£ 87,932	£(31,026)	£(5,337,425)	£1,405,797
Permanent endowment							
Original endowment	1	-	-	-	-	-	1
AGE Jones Will Trust	214,975	-	-	-	542	-	215,517
	£214,976	-	-	-	£542	-	£215,518

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13. RESTRICTED FUNDS (continued)

Restricted funds consist of donations made to The Whitgift Foundation for restricted purposes. The Trustees are not aware of any restrictions over the separate use of the capital and income for these donations. Each fund has been split by the Trustees into a capital and income fund where appropriate. An explanation of each fund is given in more detail below.

Transfers to the care homes represent contributions from the unrestricted fund.

Transfers to the Appeal Fund represent a refund of appeal costs from the unrestricted fund.

Cumulative funds

These funds represent investments which were made to provide for major repairs to the Almshouses.

Trinity Boys Choir Fund

This is a fund set up for the activities of the Trinity School Choir enabling them to gain experience and widen their musical and dramatic interests. Transfers represent monies spent by unrestricted funds in relation to the Trinity School Choir.

FLR Smith Bequest Fund

FLR Smith was a School Captain at Trinity School and the intention of his bequest is to enable individuals or groups to accept challenges which will encourage their development in the widest educational sense.

Exhibitions, scholarships and prize bequest funds

These funds represent bequests by former pupils at Whitgift and Trinity schools to award prizes to boys who have excelled in various school subjects and activities. These individual funds have been consolidated into one fund. This practice is not in accordance with Statement of Recommended Practice: Accounting by Charities, however the governors consider the administration burden of splitting this fund into its individual components is disproportionate to the benefit gained, especially in the light of the proposed application to the Charity Commissioners to consolidate these funds into one fund.

Almshouses Charity Fund

This fund represents an investment for the upkeep and maintenance of the Almshouses.

Dr H J Strong's Outpension Fund

The fund represents an investment to provide for the payment of pensions to men and women of poor standing in the Church of England over the age of 65 who have resided in the Croydon area for not less than ten years.

School Portrait Fund

This fund was set up to facilitate the purchase of a painting that might have particular association with Whitgift School.

Fry Trust Fund

This fund arises from an endowment by two Trinity old boys to provide an award to the best entrant to medical school each year.

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Crispin Brown Memorial Fund

This fund is named after an Old Whitgiftian and was set up from an anonymous donation to provide extra educational opportunities for current Whitgift pupils from less privileged backgrounds and to provide special links with pupils at maintained schools.

Theodora Clark Fund

This fund was set up to provide travel scholarships to pupils leaving Croham Hurst School.

Bursary Appeal – Trinity

A Development Office was established at Trinity School in 2018, dedicated to raising further funding for bursaries at the school. Funds raised for the Trinity Bursary Fund are held in segregated accounts by the Foundation and used to provide additional funding over and above the central bursary allocation. The School has set itself the medium-term goal of raising an additional £350,000 of annual bursary income to ensure that, taken together with Foundation awards, one in five of its students can be offered substantial bursary funding.

In the year to 31 August 2020, the Trinity Bursary Fund had 466 donors and income of £179,120 (a year-on-year increase of 141%). During the year, the Trinity Bursary Fund supported 7 bursary students at a total cost of £93,520. This will rise next year to £108,492, reflecting an additional funded Lower School bursary. In addition, it funded £41,452 of temporary bursary relief for 13 families who faced having to withdraw their children from school because of the economic fall out of the COVID-19 crisis.

Bursary Appeal – Whitgift

In March 2020 a Director of Development was appointed to lead our Whitgift For All fundraising. The aim is to raise £5m by 2022 for bursaries so that we can broaden our bursary offering and be able to offer transformative 110% bursaries for bright boys from the local area. Funds raised are held in a restricted fund by the Foundation and used to provide additional funding over and above the John Whitgift Foundation bursary allocation.

Mollie Christopher Award

This fund was set up from a donation from a former pupil of Croham Hurst School to provide a prize for a pupil in year 9 for her sporting achievements.

A.G.E. Jones Will Trust

This fund was set up from a legacy from a former pupil to provide a prize for Trinity School pupils, from the income of the fund.

Ralph Snow

Included within unrestricted donations and designated funds carried forward is an amount of £3.8m received in the year which is a permanent endowment. This was the transfer of capital assets of the Charity Ralph Snow (205380). It is amalgamated within designated funds with other balances held for educational purposes but is held separately from other designated funds. Income arising is used for the general educational purposes of The Whitgift Foundation.

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14. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Fixed assets £	Investments £	Net current assets less liabilities £	Long-term liabilities £	2020 Total £
Endowment Funds	215,518	-	-	-	215,518
Restricted Funds	-	1,607,445	-	-	1,607,445
Unrestricted Funds	51,059,911	180,823,604	(11,845,225)	-	220,038,290
	<u>51,275,429</u>	<u>182,431,049</u>	<u>(11,845,225)</u>	<u>-</u>	<u>221,861,253</u>

	Fixed assets £	Investments £	Net current assets less liabilities £	Long-term liabilities £	2019 Total £
Endowment Funds	215,518	-	-	-	215,518
Restricted Funds	-	1,354,968	50,829	-	1,405,797
Unrestricted Funds	52,359,001	185,206,403	(9,619,342)	(50,217)	227,895,845
	<u>52,574,519</u>	<u>186,561,371</u>	<u>(9,568,513)</u>	<u>(50,217)</u>	<u>229,517,160</u>

15. CAPITAL COMMITMENTS

The governors have authorised, and the Foundation is committed for future capital expenditure of £NIL (2019 £NIL).

In the accounts 31 August 2019, capital commitment note it was stated that there were works authorised at both Trinity and Whitgift School. These have been halted due to the uncertain impact of COVID-19.

16. LEASE COMMITMENTS

At 31 August the Foundation had the following commitments under non-cancellable operating leases:

	2020 £	2019 £
Total cost of leases expiring within 1 year	220,905	203,500
Total cost of leases expiring between 1 - 2 years	876,324	262,970
Total cost of leases expiring between 2 - 5 years	1,539,792	1,069,334
Total cost of leases expiring after 5 years	4,396,350	4,770,250
	<u>£7,033,371</u>	<u>£6,306,054</u>

Lease costs charged to the Statement of Financial Activities were £884,410 (2019: £715,851).

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17. PENSION COSTS

	2020	2019
	£	£
Teachers' Pension Agency contributions	4,357,755	2,850,713
Defined Benefit Scheme contributions (Note 18)	400,000	400,000
Group Personal Pension Plan contributions	1,807,408	1,633,413
Payments to pensioners	4683	4,562
	<u>£6,569,846</u>	<u>£4,888,688</u>

Pension payments outstanding at the year-end are included in creditors were £677,606 (2019: £515,454).

Teachers' Pension Scheme (TPS)

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

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

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

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

The 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.

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 a remedy to the discrimination conclusion has been determined by the Employment Tribunal 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.

THE WHITGIFT FOUNDATION

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18. DEFINED BENEFIT PENSION COMMITMENTS

The charity operates The Whitgift Foundation 1974 Retirement Fund (the Scheme), a UK registered trust-based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

The Scheme is closed to new members and so there are two categories of pension scheme members:

Deferred members: former active members of the Scheme and not yet in receipt of a pension.

Pensioner members: in receipt of pension.

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the Scheme was performed by the Scheme Actuary for the Trustees as at 31 August 2018. This valuation revealed a funding surplus of £4.2 million. The charity agreed to continue to pay monthly contributions and expects to pay £400,000 to the Scheme during the accounting year beginning 1 September 2020. During the accounting year ending 31 August 2020, the charity paid contributions of £400,000 (2019: £400,000) into the Scheme.

The results of the most recent formal actuarial valuation as at 31 August 2018 have been updated to 31 August 2020 by a qualified independent actuary. The assumptions used were as follows:

	At 31.08.20	At 31.08.19	At 31.08.2018
Discount rate for Scheme liabilities	1.4%	1.6%	2.5%
Rate of increase in pensions in payment			
Increases fixed at 5% pa	5.0%	5.0%	5.0%
Non-increasing pension	0.0%	0.0%	0.0%
Increases at CPI inflation up to 5% pa			
before 2030	2.0%		
after	3.0%	2.1%	2.0%
Increases at CPI inflation up to 2.5% pa			
before 2030	1.8%		
after	2.3%	1.9%	1.8%
Rate of increase for deferred pensioners	5.0%	5.0%	5.0%
Mortality (base table)	100.0%	102.0%	100.0%
	S3PMA /	S3PMA /	S2PMA /
	100.0%	110.0%	100.0%
	S3PFA	S3PFA	S2PFA
	-1 year age rating	-1 year age rating	-1 year age rating
Mortality (future improvement)	CMI 2019	CMI 2018	CMI 2017
	[1.0%]	[1.0%]	[1.0%]

The mortality assumptions generate the following life expectancies (years):

Male age 60	27.3	27.0	27.3
Male age 40	28.4	28.1	28.5
Female age 60	29.8	28.9	29.3
Female age 40	31.0	30.1	30.6

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18. DEFINED BENEFIT PENSION COMMITMENTS (continued)

The assets of the Scheme are currently managed by Second Sight on a discretionary basis with the strategy agreed by the Trustees of the Scheme. As at 31 August 2020 the total fair value of the assets in the Scheme was £31,300,000.

The governors continue to monitor the changing operational landscape and impact on assets and related income.

The value of the Scheme's assets annual returns by underlying class of asset are as follows:

	Value £'000 31.08.20	% of total scheme assets 31.08.20	Value £'000 31.08.19	% of total scheme assets 31.08.19
Equities (UK & overseas)	9,638	30.8%	9,020	29.8%
Bonds (government & corporate)	8,417	26.9%	8,118	26.8%
Diversified Growth Fund	8,863	28.3%	8,728	28.8%
Cash (cash & Deposits)	40	0.1%	106	0.3%
Annuities	4,342	13.9%	4,328	14.3%
	<u>£31,300</u>		<u>£30,300</u>	

	2020 £'000	2019 £'000
Total fair value of Scheme assets	31,300	30,300
Total present value of Scheme liabilities	(27,891)	(26,929)
Irrecoverable surplus not recognised	(3,409)	(3,371)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Analysis of amount charged to the Statement of Financial Activities	2020 £'000	2019 £'000
Current service cost	-	-

The surplus has not been recognised having considered the FRS 102 requirements on the recognition of actuarial surpluses and the pension scheme rules.

Other amounts for the current period are as follows:

	Year to 31.08.20 £'000
Defined Benefit Obligation	(27,891)
Fund Assets	31,300
Experience adjustments on Fund liabilities (gain/loss)	16
Adjustment due to change in assumptions (gain/loss)	(1,624)
Experience adjustments on Fund assets (gain/loss)	1,246
Limit on recognition of assets	(38)
Irrecoverable surplus not recognised	3,409

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19. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
COMPARATIVE FIGURES BY FUND

	Notes	Unrestricted Funds £	Restricted & Endowment Funds £	Total 2019 £
INCOME AND ENDOWMENTS FROM:				
Charitable activities				
School fees receivable	2	47,011,837	-	47,011,837
Other educational income	3	5,246,561	-	5,246,561
Nursing and care		412,569	3,233,058	3,645,627
Other trading activities				
Income generated by trading subsidiary	10	1,034,155	-	1,034,155
Investments				
Bank and other interest	4	8,810	-	8,810
Investment income	4	8,558,099	14,266	8,572,365
Voluntary sources				
Donations and legacies		59,017	-	59,017
Other		-	265,795	265,795
Total Income		<u>62,331,048</u>	<u>3,513,119</u>	<u>65,844,167</u>
EXPENDITURE ON:				
Raising funds				
Investment management		248,909	10,289	259,198
Investment property expenses		2,833,207	-	2,833,207
Trading company costs		894,239	-	894,239
Net income available for charitable application		<u>58,354,693</u>	<u>3,502,830</u>	<u>61,857,523</u>
Charitable activities				
School operating costs		60,594,262	217,010	60,811,272
Nursing and care		747,907	5,110,126	5,858,033
Total charitable expenditure		<u>61,342,169</u>	<u>5,327,136</u>	<u>66,669,305</u>
Total expenditure		<u>65,318,524</u>	<u>5,337,425</u>	<u>70,655,949</u>
Net expenditure/income before investment gains and losses		<u>(2,987,476)</u>	<u>(1,824,306)</u>	<u>(4,811,782)</u>
Gains on equity investments		7,290,089	57,448	7,347,537
(Losses)/Gains on property investments		(24,345,000)	-	(24,345,000)
Net income/(expenditure)		<u>(20,042,387)</u>	<u>(1,766,858)</u>	<u>(21,809,245)</u>
Transfers between funds	13	(1,894,245)	1,894,245	-
Actuarial gain	18	81,000	-	81,000
Net movement in funds		<u>(21,855,632)</u>	<u>127,387</u>	<u>(21,728,245)</u>
Balances at 1 September 2018		<u>249,751,477</u>	<u>1,493,928</u>	<u>251,245,405</u>
Balances at 31 August 2019		<u><u>227,895,845</u></u>	<u><u>1,621,315</u></u>	<u><u>229,517,160</u></u>