

**ST CHRISTOPHER SCHOOL  
(LETCWORTH) LIMITED  
GOVERNORS' REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**



**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**REFERENCE & ADMINISTRATIVE INFORMATION**

St Christopher School (Letchworth) Limited is a charitable company formed in 1954, charity registration number 311062, company registration number 535836. The registered office and principal address of the Company is at Barrington Road, Letchworth Garden City, Hertfordshire SG6 3JZ.

**DIRECTORS**

The Directors of the Company, who are also the charity trustees, and the Governors of the School and who served during the year were:

Bertie Leigh	Chair
Sarah Kilcoyne*	Vice Chair
Sophie Nolan	
Emma-Kate Henry	
Peter McMeekin	
John Simmonds	
Rabinder Singh	
Ben Walker	
Dasha Nicholls	

\*Parent of a pupil at the School.

The Governors can be contacted through the Chairman who can be written to at the School address. Governors can also be contacted through the Bursar, who is also Clerk to the Governors, by email at [bursar@stchris.co.uk](mailto:bursar@stchris.co.uk).

**KEY EXECUTIVES AND PROFESSIONAL ADVISERS**

<b>Head</b>	R Palmer
<b>Bursar, Clerk to the Governors and Company Secretary</b>	W S B Hawkes
<b>Auditors</b>	haysmacintyre 10 Queen Street Place London EC4R 1AG
<b>Principal Bankers</b>	Barclays Bank plc Station Place Letchworth Garden City Hertfordshire SG6 3BR
<b>Website</b>	<a href="http://www.stchris.co.uk">www.stchris.co.uk</a>

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The Board of Directors present their Annual Report for the year ended 31 August 2018 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited statements for the year.

**CONSTITUTION AND OBJECTS**

St Christopher School (Letchworth) Limited is a charitable company formed in 1954, charity registration number 311062, company registration number 535836. The Company is governed by its Memorandum and Articles of Association, last amended on 9 December 1995.

**OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES**

The Object of the Company, in accordance with its Memorandum of Association, is the education of girls, boys or adults of either sex as an interdenominational school with religious and ethical teaching based on the broadest principles of national and inter-national fellowship and goodwill.

**PUBLIC BENEFIT AIMS AND INTENDED IMPACT**

The School's public benefit aim is to ensure that children leave having achieved their full potential at school and equipped with the skills and self-confidence for their future life and work. The School seeks to be a continuously developing community of children and adults working together to enable all to achieve their best academically and beyond the classroom in an open atmosphere, where all are valued as individuals and encouraged to develop in curiosity, competence, judgement, kindness and courage. It aims for pupils to become self-disciplined and self-motivated individuals, who are independent learners and creative thinkers able to make informed choices in a modern world with a commitment to service. Thus the School seeks to prepare pupils for happy and fulfilled lives in the service of others. St Christopher is committed to providing a first class education in a caring environment, informality, healthy living and self-government. We aim to ensure that all achieve the success they deserve without relying on contrived competition. We also believe that what happens to them at school is an end in itself as well as being a preparation for later life: that the purpose of a child is to be a successful and fulfilled child as well as to grow into a successful and fulfilled adult.

The School provides bursaries to allow pupils to attend the School who might not otherwise be able to do so. In the year ended 31 August 2018 35 pupils were awarded bursaries (2016/17: 28). These bursaries continue for every year in which a child remains at the School, subject to an annual review of their financial circumstances and to the satisfaction of the Head and the Bursary Committee that the child is continuing to benefit from their time at the School and contribute fully to the life of the community.

As part of the School's commitment to providing benefit in the public interest we support a number of broader educational activities. The School operates extramural courses for members of the local community which are open to all. In addition, its swimming pool is regularly open to other organisations, as are the School's games fields, theatre, dance and music facilities. There are also strong links with regional arts associations. A thriving community service programme makes up an integral part of pupils' activities.

The School is committed to an international approach. There are pupils from a wide range of social, cultural and national backgrounds. There is an extensive exchange programme with overseas schools. Pupils continue to take part in an established exchange in France and a recent exchange programme with a Spanish school. The School maintains close links with a number of schools in India and pupils and staff teach at a local school as part of the Rajasthan expedition.

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In the furtherance of these aims the Governors, as charity trustees, have complied with the duty in s. 17 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance concerning the operation of the Public Benefit requirement in that Act.

## **GOVERNANCE AND MANAGEMENT**

### **GOVERNING BODY**

The Directors, who are also required under the Articles to serve as members of the Company, are elected at a full Directors' Meeting on the basis of the Board's specifications concerning eligibility, personal competence, specialist skills and local availability. Under the Company's Articles of Association, the number of Governors may not be less than three or greater than twelve, at least two of whom must be actively engaged in educational work. One-third of its members are required to retire by rotation at each AGM. The first appointed, or longest serving since last reappointment, is the first to retire. Members retiring by rotation can be re-elected. The Governors include former pupils, a former staff member, former parents and a parent nominated by the Parents' Circle as well as serving Heads of other independent schools and a local resident. Details of the Governors, together with the School's officers and principal advisers are given on page 1.

### **TRUSTEE RECRUITMENT AND TRAINING**

The Board is a self-appointing body. Board members are appointed for terms of four or five years and can be re-elected although the practice in the case of the parent governor is not to do so. New Directors are inducted into the workings of the School, and also of the Company as a registered charity, including Board Policy and Procedures, by the Chairman and Bursar. Guidance information and courses are made available to all governors at the Company's expense, through the Independent Schools Council and the Association of Governing Bodies of Independent Schools.

### **ORGANISATIONAL MANAGEMENT**

The Directors meet as a Board at least four times a year to determine the general policy of the Company and review its overall management and control, for which they are legally responsible. This includes the review of the budgets and annual accounts and reports. The Heads and the Bursar attend all meetings of the governors. The day-to-day running of the School is delegated to the Head and the Bursar, supported by other teaching members of the Senior Management Team and together this group are the key management personnel. The Senior Management Team consists of the Head, Bursar, Deputy Head, Head of Junior School, Academic Director, Director of Activities and the Director of Pastoral System.

Remuneration is set by the governors, with the objective of providing appropriate incentives to encourage enhanced performance and of rewarding fairly and responsibly individual contributions to the School's success. Remuneration of all staff at the School is based on pay scales. The appropriateness and relevance of the scales is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the School's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

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There is a long-established School Council, which is chaired by an elected senior pupil. Motions passed by the Council have to be ratified by a meeting of the whole Senior School. While policies and rules can be created through the School Council, the Head has an overall veto, although in practice it is rarely exercised. The School is committed to ensuring that self-government continues to be an important part of pupils' experience at the School.

#### **GROUP STRUCTURE AND RELATIONSHIPS**

The Company has a wholly owned non-charitable subsidiary, St Christopher School Guilds Limited, with the School receiving any surpluses earned by the company as a covenanted donation. During the year ended 31 August 2018, the St Christopher School Guilds Limited was inactive.

St Christopher School is an active member of the Society of Heads and the Boarding Schools Association for the promotion and maintenance of school standards generally. The School also benefits from the generosity of a thriving network of Old Scholars whose close support we greatly appreciate and gladly acknowledge.

#### **EMPLOYMENT POLICY**

The School aspires to support excellence in education through rigorous and continuous evaluation of quality and performance, the application of best practice and a widespread desire to improve standards. The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs. Communication with employees continues through normal management channels in a variety of forms.

#### **STRATEGIC REPORT**

##### **MISSION STATEMENT**

St Christopher School seeks to be a continuously developing community of children and adults working together to enable all to achieve their best. We seek excellence in academe and beyond the classroom, encouraging open atmosphere, where all are valued as individuals and encouraged to develop in curiosity, competence, judgement, kindness and courage. Our aim is that pupils should become self-disciplined and self-motivated people who are independent learners and creative thinkers, each one able to make informed choices with a commitment to service, informality, healthy living and self-government. Thus the School seeks to prepare pupils for happy and fulfilled lives in the service of others.

##### **OBJECTIVES FOR THE YEAR**

St Christopher is a truly independent school and we are committed to celebrating our differences and the successes that these bring to the young people who are the life blood of this School. We continue to strive for ways to enable as many different children from as many different backgrounds to take advantage of this unique education.

Specific plans for the year ended 31 August 2018 included:

1. A review of the pattern of the School day in both Junior and Senior Schools
2. A review of the balance of studies in the Junior and Senior Schools
3. The implementation of a new Management Information System
4. A review of possible new curriculum content options.
5. A review of physical access arrangements and traffic management around the school campus.

During the year, the following achievements were made against these objectives:

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1. Having decided to move the Early Years Centre onto the Junior School site we have started preparing by planning revised and safer traffic management system,
2. The Governors have decided to extend the curriculum provision in the Sixth Form to include qualifications other than A-Levels. This development will take place during the next five years.
3. The School successfully introduced a new ISAMS pupil management information system and new PASS financial software.
4. This has been delayed whilst we assess the impact of public examination specification changes.
5. A new "drive-through" car park was created on unused land to the rear of the Junior School building which was linked to the School with managed electronic gates.

### **PRINCIPAL ACTIVITY**

The Company's principal activity continues to be the provision of education to boys and girls from the ages of 3 to 18 at its Montessori Nursery, Junior School and Senior School. Our pupils have again achieved great things in the fields of art, drama and music as well as in the classrooms.

The Junior School's children are aged from 3 to 11, nearly all of whom will proceed to the Senior School. Currently there are 161 pupils in the Junior School. The Head of the Junior School is responsible for the leadership and management of the Junior School on a day-to-day basis, under the overall direction of the Head of the School.

The Senior School has children from the age of 11 to 18. There is three form entry into years 7 and 8 and four into Year 9 up to GCSE and 21 subjects are available at AS/A Level in the Sixth Form. There are currently 374 children in the Senior School of whom 89 are in the Sixth Form.

### **GRANT-MAKING**

The School offers bursaries to those parents whose income is such that they would not otherwise be able to pay the full fees. The School encourages applications on behalf of young people who would benefit from a St Christopher education, regardless of their background or ability to pay. The School offers fee-assistance of up to 100% of the fees on a means-tested basis. The awards are based on an assessment by the Head of how much a child will be able to benefit from the School and the degree of assistance required. The Bursary Committee meets once a term to consider bursary applications and review the progress of each bursary holder. The availability of all awards for fee-assistance, together with the terms and conditions of awards, are advertised on our website at [www.stchris.co.uk](http://www.stchris.co.uk).

The Robertson Bursary Trust funds a small number of pupils annually to attend the Sixth Form, to enable them to complete their A levels at St Christopher. The fund was set up by the Robertson family, who have played an important part in the St Christopher community as pupils, active Old Scholars and on the Board of Governors for many years. All awards are based on parental income and are conditional for their continuance on appropriate levels of performance and good behaviour. The School is also able to make some awards in conjunction with Robertson Bursary Trust awards up to and including 100% of the fees.

### **FUNDRAISING**

Governors have not employed any third party to fundraise on their behalf, nor has the School conducted any fundraising activity in the year. The School will not accept a donation given by someone who knowingly lacked capacity at the time of donating and if this information later materialised, would promptly return the donation. During the year, no complaints have been received about our fundraising.

### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

### **OPERATIONAL PERFORMANCE OF THE SCHOOL**

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Teaching and Learning remains central to life at St Christopher – both within and beyond the classroom. The pupils are engaged in their learning and in understanding the way in which they learn. The Teaching and Learning Group has spent the year looking at developing independent learning habits, particularly within Year 7. Council in the Junior and Senior School continues to thrive under the leadership of the elected Major Officials.

**University and other destinations included:**

- Anglia Ruskin University - Computer Gaming Technology; Illustration
- Camberwell College of Arts - Art Foundation
- Central Saint Martins - Art Foundation
- City & Guilds of London Art School - Art Foundation
- Coventry University - Automotive Engineering
- Durham University - Natural Sciences
- Falmouth University - Game Development: Design
- Goldsmiths, University of London - English and Drama
- Kingston University - Product and Furniture Design
- Liverpool Institute for Performing Arts - Sound Technology
- London Metropolitan University - Criminology, Policing and Law
- London School of Economics - Mathematics, Statistics, and Business
- Nottingham Trent University - Product Design
- Queen Mary University of London - Mathematics, Statistics & Financial Economics
- Royal Drawing School - Art Foundation
- Swansea University - Accounting and Finance
- University of the Arts London - Design Management and Cultures
- University of Bath - Sport and Exercise Science
- University of Derby - Technical Theatre
- University of East Anglia - History
- University of Essex - Business Management
- University of Exeter - Business and Management
- University of Hertfordshire - 2D Animation & Character for Digital Media; Songwriting and Music Production
- University of Leeds - English and History; Mathematics and Philosophy
- University of Lincoln - Mechanical Engineering; Media Production
- University of Manchester - Architecture
- University of Northampton - Economics
- University of Portsmouth - Economics, Finance and Banking; Engineering and Technology
- University of St Andrews - Art History
- University of Sussex - Mathematics
- University of Warwick - Mathematics and Statistics

In addition to these university destinations, one pupil is training to become an estate agent, and others are taking a gap year.

**A Level results 2018:**

- 90% of all results were grades A\* - E.
- 31% of grades were A\* or A
- 45% of grades were A\*, A or B
- 62% of grades were A\* to C

**GCSE Results 2018:**

- 30 % of grades were 9 to 7 (A\* to A)
- 68 % of grades were 9 to 5



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- 86% of grades were 9 to 4 (A\* to C)
- 84% of candidates gained at least five 9 to 4 (A\* to C) passes

The School is committed to helping a number of children with individual needs, providing that a balance is maintained within the School and at each year group. Our excellent team of tutors and other support staff continue to complement a highly effective and dedicated teaching staff.

The School is committed to robust procedures for safeguarding children. A number of key staff have attended NCSL training on safer recruitment and Child Protection training conforms to statutory requirements for all staff. A governor, Dasha Nichols has specific responsibility for safeguarding.

The Governors undertake a public benefit audit annually to monitor the benefits that the School is providing as a charity. In addition to the School's direct educational activities and the access that it provides through bursaries, the School allows other organisations, including maintained schools and charities, to use its facilities at a reduced rate or at no charge. The School actively investigates ways of increasing its engagement with local, national and international organisations to ensure that a wide section of the public benefits from the School's activities.

The School's community work, both here and abroad, continues to be a real strength of the School, further recognising the School's commitment to service. All Lower VI students are required to complete a significant period of community work. All children in the Senior School are required to support a local charity or group. This support may be through fundraising or it may be through offering physical assistance, and we have been working closely with the Letchworth Garden City Heritage Foundation and local charitable groups on this. They also have the opportunity to support an overseas project.

We continue actively to support overseas projects. We have a longstanding relationship with various NGOs in Rajasthan which are visited by VI form and staff in December and February for two week periods. In addition, we support various projects when on expedition. These projects require our pupils to learn new skills and take them out to share in the local community.

There are regular evening, weekend and holiday trips and expeditions to broaden cultural understanding and provide challenge breadth of experience. The School is grateful to its staff who give so generously of their time.

St Christopher believes that education works best when it is a partnership between the child the School and parents. To this end our Parents' Circle is one of the oldest parent teacher organisations on the country and we are proud that it supports the education of our pupils as well as the wider life of the School. All parent helpers are appropriately vetted. Parents support the charitable events within School and during this year organised a number of social events, a race night and a firework party.

## **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

During the year the School made a surplus of £62k (2016/17: £136k). Fee income at the Junior School and the Senior School rose by 7% against 2016/17. The cash flows for the School remain good, and it continues to have a strong net asset position of £9.5million (2016/17: £9.3 million).

The results for the year are set out on page 15 of the accounts.

## **RESERVES**

At the balance sheet date, the School held unrestricted funds totalling £9,472k (2016/17: £9,310k). The School's buildings represent £5,563k and other fixed assets total £4,487k.

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The School has no free reserves due to the investment of funds in tangible fixed asset properties. However, the Governors have examined the School's cash flows and are satisfied that they are adequate for the purpose of continuing as a going concern for the foreseeable future and therefore will continue as a going concern.

For some years the Governors have had an established policy of keeping a cash reserve at a level equating to between one and three months' expenditure (£739k to £2,217k). At the year end, the cash reserve was £735k, representing just under one month's expenditure.

### **FUTURE PLANS**

St Christopher will remain a truly independent school and we are committed to celebrating our differences and the successes that these bring to the young people who are the life blood of this School. We continue to strive for ways to enable as many different children from as many different backgrounds to take advantage of this unique education.

Specific plans for the next year include:

1. The extension of the Junior School to allow the Early Years Centre to co-locate
2. The commencement of a review into Sixth form offering
3. A review of the Duke of Edinburgh Award Scheme and alternatives
4. The continued improvement and expansion of Boarding
5. The development of a plan to move the Senior School library and re-imagine the current space

### **RISK MANAGEMENT**

The Board and the Staff Senior Management Team continue to keep the School's activities under review, particularly with regard to any major risks that may arise from time to time as well as the systems and procedures established to manage them. They monitor the effectiveness of the system of internal controls and other viable means, including insurance cover where appropriate, by which those risks already identified can best be managed. A formal review of the School's risk management processes is undertaken on an annual basis.

The key controls used by the School include:

- Formal agendas for all Board activity
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels; and
- Vetting procedures as required by law for the protection of the vulnerable

The Governors have reviewed the principal areas of the School's operations and considered the major risks faced in each area. The principal risks against which the School has to guard are: a failure to protect our pupils, staff, facilities and systems; a failure to maintain the quality of our staff; and the experience of the pupils, a failure to manage the impact of adverse economic conditions. Through the risk management processes established for the School the Governors are satisfied that the major risks have been adequately managed.

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**APPRECIATION**

Governors acknowledged the sustained commitment and hard work of the Head, staff, pupils and parents. We recognise that it is as a result of their work in that the School thrives, develops and meets the needs of its pupils. Governors are most grateful for this and for the continued support of parents, former pupils and other friends of the School.

**DIRECTORS**

The Directors during the year under review and the shares in the company in which they were interested at the beginning and end of the year were:

	Ordinary shares of £1 each	
	At 31 August 2018	At 1 September 2017
Sophie Nolan	4	4
Emma-Kate Henry	4	4
Sarah Kilcoyne	6	6
Bertie Leigh	6	6
Peter McMeekin	4	6
John Simmonds	4	6
Rabinder Singh	4	4
Ben Walker	4	4
Dasha Nicholls	4	-
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# ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and ensuring their proper application in accordance with charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Director is aware, there is no relevant audit information of which the company's auditor is unaware. Each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### AUDITOR

Crowe Clark Whitehill LLP resigned as auditor and the Governor's have appointed haysmacintyre under section 485 of the Companies Act.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of St Christopher School (Letchworth) Limited on 5 December 2016, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Bertie Leigh  
Chairman



Date: 24 November 2018

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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**

### **Opinion**

We have audited the financial statements of St. Christopher School (Letchworth) Limited for the year ended 31 August 2018 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at ended 31 August 2018 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 11], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

### **Conclusions relating to going concern**

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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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

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

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Governor's Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Governor's Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

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**Use of our report**

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



Adam Halsey (Senior Statutory Auditor)  
For and on behalf of haysmacintyre, Statutory Auditors  
24 November 2018

10 Queen Street Place  
London  
EC4R 1AG

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES WHICH INCORPORATES THE**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	2018 £	2017 £
<b>Income from Charitable Activities</b>	3	<b>9,164,249</b>	<b>8,432,585</b>
<b>Donations</b>		-	9,109
<b>Incoming Resources from Other Trading Activities</b>			
Lettings		135,395	106,589
<b>Investments</b>			
Bank and other interest		1,431	13
<b>Other income</b>		<b>8,104</b>	<b>6,204</b>
<b>Total Income</b>		<b>9,309,179</b>	<b>8,554,500</b>
<b>EXPENDITURE</b>			
<b>Cost of Raising Funds</b>		-	-
<b>Charitable Activities</b>			
Education and grant making		9,246,701	8,418,352
<b>Total Expenditure</b>	4	<b>9,246,701</b>	<b>8,418,352</b>
<b>Net outgoing resources before gain and losses</b>		<b>62,478</b>	<b>136,148</b>
<b>Net Gain on investments</b>		<b>100,000</b>	<b>59,656</b>
<b>Net movement in funds</b>		<b>162,478</b>	<b>195,804</b>
<b>Balances brought forward at 1 September 2017</b>		<b>9,310,387</b>	<b>9,114,583</b>
<b>Balances carried forward at 31 August 2018</b>		<b>9,472,865</b>	<b>9,310,387</b>

The results set out above all relate to continuing operations and relate entirely to unrestricted funds.

The notes on pages 18 to 28 form part of these accounts.



**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

**BALANCE SHEET AS AT 31 AUGUST 2018**

	Notes	2018 £	2017 £
<b>TANGIBLE FIXED ASSETS</b>			
School buildings and equipment	5	10,050,972	9,863,210
<b>INVESTMENTS</b>	6	1,300,007	1,200,007
<b>CURRENT ASSETS</b>			
Debtors	7	713,411	242,227
Stock – finished goods		-	525
Cash		735,350	1,143,355
		1,448,761	1,386,107
<b>CREDITORS: amounts due within one year</b>	8	(2,797,758)	(2,681,558)
<b>NET CURRENT LIABILITIES</b>		(1,348,997)	(1,295,451)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,001,982	9,767,766
<b>CREDITORS: amounts due after more than one year</b>	9		
Loan & Fees in Advance		(529,117)	(457,379)
<b>TOTAL NET ASSETS</b>		9,472,865	9,310,387
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	40	40
<b>UNRESTRICTED FUNDS</b>			
General Reserve		9,472,825	9,310,347
		9,472,865	9,310,387

Approved and authorised for issue by the Directors on  
and signed on their behalf by

*Bernie Leigh*

*S.J. Kilcoyne* Directors

B Leigh

S Kilcoyne

Date: 24 November 2018

The notes on pages 18 to 28 form part of these accounts.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from Operating Activities:</b>			
Net cash provided by/(used in) operating activities	(16a)	419,998	1,210,280
<b>Cash flows from Investing Activities:</b>			
Payments for tangible fixed assets		(821,084)	(540,775)
Payments for investments		-	(640,344)
		<u>(821,084)</u>	<u>(1,181,119)</u>
Interest Received		1,431	13
Interest Paid on Loan		(23,855)	(3,285)
Property Rental Income		46,868	28,390
Management charges for rental property		(7,507)	(3,863)
		<u>16,937</u>	<u>21,255</u>
<b>Net cash provided by/(used in) investing activities:</b>		<u>(804,147)</u>	<u>(1,159,864)</u>
<b>Cash flows from Financing Activities:</b>			
New Loan		-	440,000
Repayments on Loan		(23,855)	(5,826)
<b>Cash flows (used in)/provided by:</b>		<u>(23,855)</u>	<u>434,174</u>
 Change in cash and cash equivalents in the reporting period		 <u>(408,004)</u>	 <u>484,590</u>
Cash and cash equivalents at the beginning of the reporting period		1,143,355	658,765
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>(16b)</b>	<b><u>735,351</u></b>	<b><u>1,143,355</u></b>

The notes on pages 18 to 28 form part of these accounts.

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. COMPANY INFORMATION**

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. It was incorporated on 16 July 1954 (company number 535836) and registered as a charity on 19 February 1963 (charity number 311062).

**2. ACCOUNTING POLICIES**

**a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

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

After reviewing the School's forecasts and projections, the Governors have a reasonable expectation that it has adequate resources to continue in operational existence of the foreseeable future. The School therefore continues to adopt the going concern basis for preparing its financial statements.

The School owns the whole of the share capital of St Christopher School Guilds Limited. In the opinion of the Governors the activities of the company are not material in the context of the overall accounts and therefore consolidated accounts are not prepared. The company results and net assets position at the balance sheet date are set out in note 14.

**Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

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

The trustees consider the value of investment properties by reference to informal information provided by the schools letting agent. If there is a change in the tenancy or significant market volatility, then the trustees will consider the need for a formal professional revaluation.

**b) Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets in use, other than freehold land, at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Long leasehold property, acquired prior to 1979	- over the term of the lease
Long leasehold property	- between 25 and 50 years
Motor vehicles	- over 5 years
Fixtures, fittings and equipment	- between 5 and 10 years
Leasehold improvements	- over 20 years
Plant	- over 20 years
Computer equipment	- over 3 years

Long leasehold property is considered by the directors to have a sufficient economic life to allow it to be amortised over its lease term of 100 years, as at 31 August 2014. Its service potential is such that the directors consider the carrying value. The directors will review this position annually. The School capitalises all items over £1,000.

**ST CHRISTOPHER SCHOOL (LETCHEWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**c) Investment Properties**

Investment properties are stated at their market value at the balance sheet date. No depreciation is provided for in respect of investment properties in accordance with FRS102. Such properties are held for their investment potential and not for consumption within the business. This is a departure from the Companies Act 2006 which requires all properties to be depreciated, however the trustees consider that to depreciate them would not enable the financial statements to give a true and fair view.

**d) Fees and other educational income**

Fees receivable are stated after deducting scholarships, bursaries and other allowances granted by the school and amounts in respect of co-curricular activities for the education of pupils, such as school trips, and is shown in the statement of financial activities net. This presentation has been adopted to allow a fuller understanding of the total amounts involved within the school's operations and is in line with generally accepted practice within the sector.

**e) Expenditure**

Expenditure is accounted for on an accruals basis. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amounts attributable to that activity in the year, either by reference to staff time or space occupied, as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates. Support staff costs include staff, depreciation, other costs and governance costs which comprise the costs of complying with constitutional and statutory requirements. Support costs are allocated across expenditure categories within the Statement of Financial Activities on the basis of departmental activity.

**f) 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.

**g) Pensions**

The School contributes to the Teachers' Pension Defined Benefits Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The Scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the Scheme which are attributable to the School. In accordance with FRS102 the Scheme is accounted for as a defined contribution scheme. The School also contributes to a defined contribution pension scheme for its non-teaching staff.

**h) Funds**

Unrestricted School funds are available for use at the discretion of the Governors in furtherance of the general objectives of the School and which have not been designated for other purposes.

**i) Financial Instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised.

Financial assets held at amortised cost comprise cash at bank and in hand together with trade and other debtors, together with all debtors (gross of any bad debt provision) excluding prepayments.

A specific provision is made for debts for which recoverability is in doubt.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital.

Financial liabilities include all creditors excluding deferred income, taxation and social security, provisions and estimated accruals.

Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

<b>3. FEES RECEIVABLE</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fees receivable consists of:		
School Fees	<b>8,795,657</b>	<b>8,210,083</b>
Less: Bursaries	<b>(350,737)</b>	<b>(341,913)</b>
Allowances	<b>(426,240)</b>	<b>(426,164)</b>
	<b><u>8,018,680</u></b>	<b><u>7,442,006</u></b>
Other fees receivable	<b>981,034</b>	<b>832,529</b>
Fees Receivable	<b><u>8,999,714</u></b>	<b><u>8,274,535</u></b>
Coaching charges	<b>1,685</b>	<b>5,146</b>
Swimming Pool Income	<b>162,850</b>	<b>152,907</b>
Total Income from Charitable Activities	<b><u>9,164,249</u></b>	<b><u>8,432,585</u></b>

**ST CHRISTOPHER SCHOOL (LETCHEWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**4. ANALYSIS OF TOTAL RESOURCES EXPENDED**

<b>2018</b>	<b>Staff costs £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>Total £</b>
<b>Cost of raising Funds</b>	-	-	-	-
<b>Charitable Activities:</b>				
Education	4,315,605	609,498	99,304	5,024,407
Welfare	721,313	575,127	23,387	1,319,827
Premises	245,716	835,998	510,211	1,591,925
Swimming Pool Costs	117,603	39,741	-	157,344
Support Costs	614,101	538,678	419	1,153,198
	<b>6,014,338</b>	<b>2,599,042</b>	<b>633,321</b>	<b>9,246,701</b>
	<b>6,014,338</b>	<b>2,599,042</b>	<b>633,321</b>	<b>9,246,701</b>
<b>2017</b>				
<b>Cost of raising Funds</b>	-	-	-	-
<b>Charitable Activities</b>				
Education	3,982,907	592,440	80,899	4,656,246
Welfare	662,619	507,246	23,387	1,193,252
Premises	280,733	597,798	502,698	1,381,229
Swimming pool costs	101,906	45,553	-	147,459
Support Costs	572,402	467,345	419	1,040,166
	<b>5,600,567</b>	<b>2,210,382</b>	<b>607,403</b>	<b>8,418,352</b>
	<b>5,600,567</b>	<b>2,210,382</b>	<b>607,403</b>	<b>8,418,352</b>
				<b>2018</b>
				<b>£</b>
Other expenditure includes:				
Auditor's remuneration:				
for audit (inc VAT)				15,120
Operating lease rentals – other				64,795
Depreciation				633,321
<b>Staff Costs</b>				
Wages and salaries				4,958,544
Social security costs				435,498
Pension contributions				620,296
				<b>6,014,338</b>
				<b>5,600,567</b>

The staff costs include agency staff costs of £157,705 (2017: £107,633).

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

The average number of employees in the year was:

	<b>2018</b>		<b>2017</b>	
	<b>Average Actual No.</b>	<b>Average FTE No.</b>	<b>Average Actual No.</b>	<b>Average FTE No.</b>
Teachers	<b>74</b>	<b>65</b>	70	64
Academic Support	<b>32</b>	<b>22</b>	29	21
Welfare	<b>39</b>	<b>33</b>	44	34
Premises	<b>39</b>	<b>11</b>	33	16
Administration	<b>11</b>	<b>11</b>	12	11
<b>Total</b>	<b>195</b>	<b>142</b>	<b>188</b>	<b>146</b>

Neither the Directors nor persons connected with them received any remuneration or other benefits from the School or any connected organisation.

<b>Related Party Transactions</b>	<b>2018</b>	<b>2017</b>
Reimbursement of trustee expenses	<b>£206</b>	<b>£449</b>
Number of trustee reimbursed	<b>1</b>	<b>2</b>

The Trustees received no remuneration but did receive reimbursement of expenses. There were no transactions with related parties.

The number of employees whose emoluments exceeded £60,000 were:

	<b>2018 No.</b>	<b>2017 No.</b>
£60,001 - £70,000	<b>4</b>	2
£70,001 - £80,000	<b>1</b>	
£80,001 - £90,000	<b>-</b>	1
£90,001 - £100,000	<b>1</b>	
£110,001 - £120,000	<b>1</b>	1

The total aggregate remuneration for key management was £685,079 (2017: £644,627) were charged to the Statement of Financial Activities during the year.

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**5. TANGIBLE FIXED ASSETS**

<b>Cost/valuation</b>	<b>Long Leasehold Property £</b>	<b>Motor Vehicles £</b>	<b>Fixtures Fittings and Equipment £</b>	<b>Leasehold Improvements £</b>	<b>Plant £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
1 September 2017	10,542,668	123,762	3,137,915	3,958,607	861,997	822,949	19,447,898
Additions at cost	-	34,908	230,176	495,287	28,029	32,683	821,083
Disposal at cost	-	-	-	-	-	-	-
<b>31 AUGUST 2018</b>	<b>10,542,668</b>	<b>158,670</b>	<b>3,368,091</b>	<b>4,453,894</b>	<b>890,026</b>	<b>855,632</b>	<b>20,268,981</b>
<b>Depreciation</b>							
1 September 2017	4,770,121	105,389	2,519,935	1,150,320	282,023	756,900	9,584,688
Charge for year	209,021	6,408	136,017	197,082	43,884	40,909	633,321
Disposal	-	-	-	-	-	-	-
<b>31 AUGUST 2018</b>	<b>4,979,142</b>	<b>111,797</b>	<b>2,655,952</b>	<b>1,347,402</b>	<b>325,907</b>	<b>797,809</b>	<b>10,218,009</b>
<b>Net book values</b>							
<b>31 AUGUST 2018</b>	<b>5,563,526</b>	<b>46,873</b>	<b>712,139</b>	<b>3,106,492</b>	<b>564,119</b>	<b>57,823</b>	<b>10,050,972</b>
<i>31 August 2017</i>	<i>5,772,547</i>	<i>18,373</i>	<i>617,980</i>	<i>2,808,287</i>	<i>579,974</i>	<i>66,049</i>	<i>9,863,210</i>



**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

6. INVESTMENTS	2018 £	2017 £
Investment properties b/fwd	1,200,000	500,000
Additions	-	625,000
Improvements and additional costs	-	15,344
Gains on revaluation	100,000	59,656
Investment properties c/fwd	<u>1,300,000</u>	<u>1,200,000</u>
Investment in subsidiary undertaking (note 13)	<u>7</u>	<u>7</u>
	<u>1,300,007</u>	<u>1,200,007</u>

In 2013, two properties were transferred from tangible fixed assets to investment properties following a change of use. In May 2017 a property was purchased for £625,000, partly funded by a mortgage for £440,000 secured on the property. The market value of all 3 properties as at 31 August 2018 was estimated by local real estate agents using their knowledge of the local market for such assets. The Trustees valued these properties at £1,300,000 based on this informal advice.

7. DEBTORS	2018 £	2017 £
Fees	336,547	90,372
Other debtors	48,842	36,998
Prepayments and accrued income	<u>328,022</u>	<u>114,857</u>
	<u>713,411</u>	<u>242,227</u>

8. CREDITORS: DUE WITHIN ONE YEAR	2018 £	2017 £
Bank Loan (note 10)	25,141	23,745
Fees in advance	1,192,024	1,337,724
Parental deposits	650,950	740,989
Trade creditors	193,122	182,660
Other taxes and social security	131,116	107,625
Accruals and deferred income	496,176	184,538
Other creditors	109,229	104,277
	<u>2,797,758</u>	<u>2,681,558</u>

**Parental deposits**

Parents pay a deposit on accepting a place for their child and the money is returned subject to offset of outstanding costs after their child leaves the school.

The Governors have concluded that the School does not have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date so present refundable deposits are within current liabilities.

**ST CHRISTOPHER SCHOOL (LETCHEWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

<b>9.</b>	<b>CREDITORS: DUE AFTER MORE THAN ONE YEAR:</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
	From one to two years:		
	Fees in advance	<b>51,804</b>	23,475
	Loan (note 10)	<b>25,906</b>	24,467
	From two to five years:		
	Fees in advance	<b>92,136</b>	23,475
	Loan	<b>359,271</b>	385,962
	<b>Total</b>	<b>529,117</b>	457,379
<b>10.</b>	<b>BANK LOAN</b>	<b>2018</b>	<b>2017</b>
	Amounts falling due:	<b>£</b>	<b>£</b>
	Within one year	<b>25,142</b>	23,745
	Between two and five years	<b>25,906</b>	24,467
	After more than five years	<b>359,271</b>	385,962
	<b>Total</b>	<b>410,319</b>	434,174

The Bank Loan consists entirely of a mortgage with Barclays Bank plc dated 24 May 2017. The mortgage was raised in 2017 to partly fund the purchase of Elmscott and is secured upon the property. The loan is repayable monthly and the interest rate is 2.75% over base.

<b>11.</b>	<b>SHARE CAPITAL</b>	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>
		<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2017</b>
	Allotted and fully paid:				
	Ordinary shares of £1 each	<b>40</b>	<b>40</b>	<b>40</b>	<b>40</b>

The ordinary shareholders have no rights to receive any dividend or bonus out of profits and no rights to surplus assets on a winding up.

<b>12.</b>	<b>OPERATING LEASE COMMITMENTS</b>	<b>2018</b>	<b>2017</b>
	Total value of minimum lease payments over remaining life:	<b>£</b>	<b>£</b>
	Within one year	<b>33,918</b>	65,572
	Within two to five years	<b>45,819</b>	65,870
	More than five years	<b>-</b>	10,195

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**13. TEACHERS' PENSION DEFINED BENEFITS SCHEME**

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £449,554 (2017: £406,781) and at the year-end £nil (2017: £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also currently required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

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

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

The School also runs a defined contribution pension scheme for non-teaching staff. The cost for the year represents the School's contribution to the scheme of £169,057 (2017: £160,384).

**14. ST CHRISTOPHER SCHOOL GUILDS LIMITED**

The school holds a 100% interest in a trading company, St Christopher School Guilds Limited (company number 3225976), with the School receiving any surpluses earned by the company as a covenanted distribution. From 1 September 2011, all letting transactions are dealt through St Christopher School and St Christopher School Guilds Limited is now dormant.

The financial statements of the company for the year ended 31 August 2018 which are not consolidated with the School financial statements, showed the following position:

	2018	2017
	£	£
Net Assets	<u>7</u>	<u>7</u>

**ST CHRISTOPHER SCHOOL (LETCHWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**15. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
The carrying values of financial assets and liabilities at 31 August were as follows		
Financial assets measured at amortised cost (a)	806,816	454,150
Financial assets in cash	735,351	1,143,355
Financial liabilities measured at amortised cost (b)	(1,640,423)	(2,047,125)

(a) Financial assets include fee debtors, extras billed in the Summer Term, other debtors and accrued income.

(b) Financial liabilities include bank loan, deposits, trade creditors and other creditors

**ST CHRISTOPHER SCHOOL (LETCWORTH) LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**16. CASH FLOW**

**(a) Reconciliation of Net Incoming Resources to Net Cash Inflow from Operations**

	2018 £	2017 £
Net incoming resources	<u>62,478</u>	<u>136,148</u>
Elimination of non-operating cash flows:		
Interest received	(1,431)	(13)
Interest of loan repaid	23,855	3,285
Rental Income from investment	(46,868)	(28,390)
Cost of Management of Rental Properties	7,507	3,863
Depreciation charges	633,321	607,403
Decrease/(Increase) in Debtors	(471,185)	223,484
Decrease in stock	525	5,246
Increase/(Decrease) in Creditors	211,796	259,254
	<u>357,400</u>	<u>1,074,132</u>
Net cash inflow / (outflow) from operations	<u>419,998</u>	<u>1,210,280</u>

**(b) Analysis of cash and cash equivalents**

Cash held and at bank	<u>735,351</u>	<u>1,143,355</u>
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**(c) Analysis of changes in net funds**

	Balance at 1 September 2017 £	Cash Flows £	Balance at 31 August 2018 £
Cash at bank & in hand	1,143,355	(408,004)	735,351
Loan (note 10)	(434,174)	23,855	(410,319)
	<u>709,181</u>	<u>(384,149)</u>	<u>325,032</u>

**Reconciliation of Net Cash Flow to movement in net debt**

	2018 £	2017 £
(Decrease)/increase in cash in the year	(408,004)	484,590
Cash outflow from decrease in debt	23,855	(434,174)
<b>Movement in net (debt)/funds in the year</b>	<u>(384,149)</u>	<u>50,416</u>
Opening net funds	709,181	658,765
Closing net (debt)/funds	<u>325,032</u>	<u>709,181</u>