

# JAMES ALLEN'S GIRLS' SCHOOL



James Allen's Girls' School 4-18

# jags

## REPORT AND ACCOUNTS

### FOR THE YEAR ENDED

31 AUGUST 2014

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COMPANIES HOUSE

144 East Dulwich Grove, London SE22 8TE  
*James Allen's Girls' School is a company limited by guarantee  
and registered in England number 6618970  
Registered charity number 1124853*

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**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**

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## JAMES ALLEN'S GIRLS' SCHOOL

### GOVERNORS

The Governors are also directors of James Allen's Girls' School, a company limited by guarantee and registered in England number 6618970, registered charity number 1124853. They are appointed by the Board of Governors for a normal term of five years. They may be re-elected for one further term.

The Governors who served in the year were:

Mr Michael Brooke BA (Hons)\*

*Architect in private practice; former JAGS parent*

Mrs Mary Francis CBE MA LVO\* (Retired 31 December 2013)

*Senior Independent Director of Centrica plc and non-executive Director of Swiss Re and Enso; former Treasury civil servant, Private Secretary to the Prime Minister, Deputy Private Secretary to the Queen and Director General of the Association of British Insurers; former JAGS pupil*

Mrs Simonetta Agnello Hornby Dr Juris

*Solicitor; formerly founding Partner in a community legal practice; former judge on the Special Educational Needs and Disabilities Tribunal; novelist*

Mr David Levin MA FRSA

*Managing Director of United Learning independent schools; former Headmaster, City of London Boys School; former Chairman of HMC; Governor of Canford School*

Mr David Miller MA FCSI\*

*Investment Director; Partner at Cheviot Asset Management; formerly Royal Bank of Canada JP Morgan Private Bank and Flemings Private Asset Management; current JAGS parent (two girls)*

Professor John Moxham MD FRCP

*Professor of Respiratory Medicine, King's College London, School of Medicine; Consultant Physician and Medical Director at King's College Hospital; former JAGS parent*

Ms Helen Nixseaman MSC FCA\*

*Chartered Accountant; Partner in PricewaterhouseCoopers LLP*

Mrs Jane Onslow MA\*

*Barrister; formerly General Counsel of Aon UK; a JAGS representative on and currently Chair of the Board of The Dulwich Estate; former JAGS parent*

Mrs Frances Read MA FCA MCSI\* (Deputy Chair)

*Chartered Accountant; formerly Group Finance Director of Lifeways Community Care Limited; Chair of Haven House Children's Hospice; Non Executive Director of Baring Emerging Europe PLC; former JAGS parent*

Sir Hugh Taylor KCB BA (Hons) \* (Chair)

*Chair of Guy's and St Thomas' NHS Trust; formerly Permanent Secretary, Department of Health; former JAGS parent*

Miss Sarah Tunstall BA (Hons)

*Commercial Director of award winning media agency Fresh Egg; formerly Chief Operating Officer of PPA the UK trade magazine body and Managing Director of the Independent Schools Council; former JAGS pupil*

The Hon Dr Rema Wasan MA MBBS MRCP FRCR (UK) (Appointed March 2014)

*Consultant Radiologist at King's College Hospital; current parent*

\* Members of the Finance & General Purposes Committee

## **Officers**

The Headmistress of James Allen's Girls' School - Mrs Marion Gibbs CBE BA (Hons) PGCE MLitt FRSA

The Head Teacher of James Allen's Preparatory School - Miss Finola Stack BA (Hons) PGCE Mont Dip

The Bursar and Clerk to the Governors - Miss Sarah Buxton MA ACA

## **Addresses**

144 East Dulwich Grove London SE22 8TE **Registered Office**

152 East Dulwich Grove, London SE22 8TE

2 Dulwich Village, London SE21 7AL

## **Professional Advisers**

**Bankers** HSBC, 1 The Town, Enfield, Middlesex, EN2 6LD

**Solicitors** Druces & Attlee, Salisbury House, London Wall, London EC2M 5PS  
Veale Wasbrough Vizards, Orchard Court, Orchard Lane, Bristol BS1 5WS

**Auditor** BDO LLP, 55 Baker Street, London W1U 7EU

**Surveyors** BNP Paribas Real Estate, 5 Aldermanbury Square, London EC2V 7BP

**Investment Managers** Investec Wealth & Investment Limited, 2 Gresham Street London, EC2V 7QN  
The Charities Property Fund, c/o Rensburg Sheppards, 2 Gresham Street, London EC2V 7QN  
BlackRock Investment Managers, 33 King William Street, London EC4R 9AS

**Insurance Brokers** Marsh Insurance Brokers, 9 Perrymount Road, Haywards Heath, West Sussex RH16 1TA

## James Allen's Girls' School

### Report of the Governors (incorporating their Group Strategic Report) for year ended 31 August 2014

James Allen's Girls' School ('the School' or 'JAGS' or 'the Charity') is a company limited by guarantee (registered in England number 6618970) with charitable status (charity number 1124853). The directors of the company, who are also charity trustees and Governors of the School, present their annual report (incorporating the strategic report) and audited accounts for the year ended 31 August 2014 ('the Accounts') and confirm they comply with the requirements of the Charities Act 2011, the Scheme (Trust Deed) dated 31 July 1995 (as amended), the Charities SORP 2005 and the Companies Act 2006.

The Governors, officers and principal addresses of the company are as listed on pages 2 and 3, as are particulars of the company's professional advisers in the period.

#### **AIMS OF THE SCHOOL**

The School aims to provide a first class education to pupils aged 4 to 7 in its Pre-Preparatory Department, aged 7 to 11 in the Preparatory School (which together form the unit known administratively as James Allen's Preparatory School ('JAPS')), and aged 11 to 18/19 in the Senior School. It is the School's policy that its pupils should attain the highest academic levels possible and to engender in them a life-long love of learning, as well as providing an extra-curricular programme which aims to broaden their interests and to build self-confidence and a desire to contribute to the community.

This policy has been further refined within the stated *Aims of the School*:

- To encourage all pupils to develop their full potential by stimulating their intellectual curiosity, enthusiasm and imagination
- To promote excellence in academic, creative and athletic endeavours
- To teach the value of integrity, morality and a concern for others
- To enhance pupils' appreciation of their own and other cultures
- To develop pupils' self-confidence and independence so that they are well-equipped to play an active role in society.

#### **OBJECTIVES OF THE SCHOOL**

The objectives of the School as defined in its Memorandum of Association are 'the conduct at Dulwich of a day school in which there shall be provided a practical, liberal and religious education, including a Senior School for girls and, if thought fit, a Preparatory School for girls; which shall be primarily and ancillary or incidental educational and other associated activities for the benefit of the community'.

In setting the School's objectives and planning the School's activities for the years ahead, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The Governors' focus in 2013/14 has been on the continued achievement of the *Aims of the School* stated above.

Key objectives are:

- To continue to support the 123 pupils in receipt of means-tested bursaries as of July 2014 (of which 61 are 100%, with the costs of meals, transport and uniform covered in addition)
- The provision of as many means-tested bursary places as possible from other funds without recourse to tuition fees paid by parents. 23 bursary places were awarded in September 2013. More details are provided on page 6.
- To develop further our 'Good Neighbours' policy. In place since 1994, this demonstrates in practical terms the Governors' awareness of their charitable role. The policy is designed to awaken in our pupils a sense of social awareness and to educate them in active citizenship, as well as seeking to optimise the use of the School's sporting and other facilities by the local community. See below for detailed information.

## **ETHOS, STRATEGY AND POLICIES**

JAGS is a charity which seeks to benefit the public through the pursuit of its stated *Aims of the School*. Fees are set at a level to support the financial viability of the School and to ensure the provision of a first class education to its pupils.

JAGS welcomes pupils from all backgrounds in line with its Equal Opportunities Policy, and is proud that some 50 home languages are spoken by its pupils. Entry to the School is academically competitive to ensure that all pupils are properly suited to the nature of the education provided. Full details of the admission arrangements may be found on the School's website ([www.jags.org.uk](http://www.jags.org.uk)). The School makes reasonable adjustments to meet the needs of staff or pupils who are or become disabled in any way.

The School is committed to safeguarding and promoting the welfare of its pupils and expects all staff and volunteers to share this commitment. In the most recent Independent Schools' Inspectorate report (October 2013), inspectors judged that the quality of the pastoral care is 'excellent' and 'reflects the good relationships that exist between pupils and staff'. Parents are given regular information about their children's social and academic progress through parents' evenings and written reports. Regular newsletters and information via the on-line *JagsPost* system and on the School website, keep parents up to date with the School's activities and all parents are members of the Parents' Association. Pupils belong to Houses as well as to forms, and older girls readily work with younger pupils, offering encouragement, support and friendship. The principles of "Care, Courtesy and Consideration" for others are at the heart of the School. School Councils ensure pupil involvement throughout the School. JAGS is committed to being a healthy school and environmentally-aware. The Eco Schools Green Flag award was first achieved in November 2010 and re-awarded in February 2013.

### **Access and Inclusion Policy**

It is important to JAGS that access to the education offered is not restricted to those who can afford fees. The School is committed to providing as many places as possible for those who reach the required standard and who would benefit from an education at JAGS but whose families cannot afford fees. It is a matter of pride that pupils come from a very wide range of social, economic and cultural backgrounds and reflect the diversity of the South London community.

Staff and pupils benefit from a wide range of links with other local schools and the wider community, through the Southwark Schools' Learning Partnership, other partnerships and community projects. See below for further details.

## **Bursary Policy**

James Allen's Bursaries are crucial in helping to ensure that bright children from families who would otherwise not be able to afford the fees can have the education offered at JAGS. Bursary awards are available to all in the Senior School who meet the entry requirements and are made solely on the basis of parental means. They may be awarded on entry at 11+ or 16+ or to relieve hardship where an existing pupil's education and future prospects would otherwise be at risk, for example in the case of parent redundancy. In assessing means a number of factors are taken into consideration including family income, investments, savings and capital assets, together with family circumstances, for example dependent relatives and the number of siblings. Funding for bursaries comes from the annual distribution from the Dulwich Estate, investment income and surpluses generated by JAGS Community Enterprises Limited, the School's non-charitable trading company (see note 7 to the Accounts). All these sources of funds are limited. It is essential to ensure that such funding can continue to be made available throughout a pupil's School career.

James Allen's Bursaries are available up to 100% remission of fees, with the cost of lunch, travel, uniform and trips covered in addition where appropriate. Funds also are available for one-off awards, generally to cover the cost of extra-curricular activities which are an important part of life at the School. Information about fee assistance is made available to all potential pupils and their families by contact with feeder schools, via our website and to all applicants for the prospectus. James Allen's Bursaries are not available to pupils who are in James Allen's Preparatory School.

The success of our bursary scheme is explained in the review of achievements and performance section of the strategic report. Details of bursary awards are also set out on page 9 and in notes 16 and 22 to the Accounts.

## **Assistance for School Staff**

The School's staff are its most valuable asset. As part of the emphasis on attracting and retaining high calibre staff, a fee discount scheme is offered (a basic 15% remission which can be increased after means-testing) for staff members who choose to educate their children at the School, Dulwich College or Alleyn's School, which are part of the Dulwich Foundation.

## **Other Policies on Fee Assistance**

Timely financial planning is often the key for many parents who are hoping to send their children to JAGS and a school fees composition scheme is available to help those who wish to make lump sum payments. Currently fees may be paid monthly if this assists parents' financial planning.

## **Scholarship Policy**

The purpose of JAGS's scholarship awards is to recognise high academic potential or the ability to excel in art, music or sports. Up to 20 scholarships may be awarded each year based on the results of the Senior School 11+ Entrance Examination. Up to 18 are for academic achievement, one may be an instrumental Music scholarship and one may be an Art scholarship. The scholarships range in value from £500 to £1,000 per annum. The value of these scholarships may be supplemented on a means-tested basis in line with the bursary scheme. The underlying value of the scholarship (i.e. excluding any means-tested supplement) will remain unchanged throughout the time the pupil remains at the School. A number of sixth form scholarships are also awarded based on GCSE results. The Winifred Knight's Art Scholarship, the Heather Venn Economics Scholarship and the Sixth Form Music Scholarship are also awarded through competition at age 16.

## **PENSION LIABILITY**

The Governors are aware of the liability existing in the Pensions Trust pension scheme for support staff and the amount is disclosed in note 18b of the Accounts. The Governors are satisfied that existing cash flows are sufficient to meet the anticipated increase in costs over the next few years.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### ***Governing Documents***

The School became a company limited by guarantee with charitable status with effect from 1 August 2008. Its governing documents are the company's Memorandum and Articles of Association.

### ***Governing Body***

The directors of the company limited by guarantee are charity trustees and Governors of the School. The Clerk to the Governors is also the Company Secretary. All trustees (Governors) give their time freely and no remuneration or expenses were paid to them in the year. In the past, where the daughters of Governors have been awarded exhibitions or scholarships, they have been awarded on their own merits in line with criteria which are equal for all pupils. That apart, no Governor or person connected with a Governor received any benefit from either means-tested bursaries or scholarships awarded to pupils.

### ***Recruitment and Training of Governors***

All Governors are co-opted to the Board. The Board reviews its constituency on a regular basis, analysing the skills available to it and identifying any gaps there might be. Through its *Governors Nominations Sub-Committee*, the Board seeks nominations from the parent body, friends of the School, business, public services, the arts and professions so as to maintain the full range of skills and expertise required to ensure continuing good practice within the Board and so enhance the overall strategic management of the Charity. A list of potential Governors is maintained. Potential Governors are interviewed by the Chair and Deputy Chair of the Board and the Headmistress, and may subsequently be recommended for appointment to the Board. A full induction programme, including instruction in respect of Board policy and procedures and any specific requirements appropriate for the individual Governor, is managed by the Clerk to the Governors. All new Governors attend the appropriate seminar run annually by the *Association of Governing Bodies of Independent Schools*. In addition to regular briefings, Governors may also attend seminars and workshops organised by professional bodies on topics of interest, including the impact of new legislation and regulation on educational charities. The Board holds an annual *Away Day* at which strategic matters are discussed. There is an appraisal process for each Governor conducted triennially by the Chair of the Board.

### ***Organisational Management***

The Governors as directors of the company limited by guarantee and trustees of the charity are legally responsible for the overall management and control of the School and meet formally four times a year. The *Finance & General Purposes Committee* meets three times a year to set the fees tariff for the subsequent academic year, to agree a budget for bursaries, to finalise budgets, the statutory accounts and annual report, all for approval by the Board, and to deal with any pressing matter between Board meetings. Other committees and/or working groups are authorised for specific purposes as required. An example of this is the *Development Committee*, comprised of Governors and others with particular expertise, to spearhead the School's fundraising initiatives for the Community Music Centre at JAGS project and the Bursary Fund. Individual Governors also take a particular interest in various aspects of the School's activities, including liaison with the School's various constituencies, health and safety, child protection, the environment and public benefit issues.

Acting in accordance with the wishes of the Board as agreed from time to time, the Headmistress of JAGS has strategic responsibility for the direction of the organisation as a whole. While JAGS is



one school and is committed to a “whole school” philosophy, the Senior School and JAPS operate relatively independently as regards day-to-day matters, the Headmistress of the Senior School and the Headteacher of JAPS each being assisted by their Senior Leadership Teams. The Headmistress of JAGS, the Headteacher of JAPS and the Bursar/Clerk attend all formal meetings of Governors.

### ***Employee Involvement***

Communication and consultation across the School is actively encouraged. The Whole School Forum has representatives from all areas of the School (proportionate to the number of staff), who are elected annually to serve for one year. The Forum meets with The Chair of Governors, the Headmistress of JAGS, the Headteacher of JAPS and the Bursar at least once a term.

### ***Group Structure***

The company has a wholly owned, non-charitable, trading subsidiary, JAGS Community Enterprises Limited. The Deputy Chair of the Board, the Headmistress of JAGS, the Headteacher of JAPS, the Bursar, Mr Ian Rankine and Mr Roger Holdom (as independent directors) form its Board of Directors. The Clerk to the Governors is its company secretary.

## **OTHER RELATIONSHIPS**

The Charity appoints two trustees to the Board of the Dulwich Estate, the organisation from which JAGS, with others, receives an annual distribution of funds. During 2013/2014, the appointed trustees to the Board of the Dulwich Estate continue to be Mrs Jane Onslow MA. Mrs Nicola Meredith BA (Hons) FCCA, a previous JAGS trustee, also acts as a representative for the School.

## **GROUP STRATEGIC REPORT**

### **ACHIEVEMENTS AND PERFORMANCE**

#### **Pupil Numbers and Fees**

Educational activities are carried out through the Senior School and JAPS. Pupil numbers held up well during the year, averaging 1,075 (1,102 in 2012/13), being 775 (189 in the sixth form) in the Senior School and 300 in JAPS. The School continues to be full. Demand for places remains strong, which gives confidence that pupil numbers will be maintained for the foreseeable future. The School believes this to be a result of its continued resolve to maintain high academic standards, to provide the facilities expected of a leading school, and to be an active contributor to the local community.

Fees for 2013/14 before the deduction of any means-tested bursaries and scholarships were £4,400 per term in JAPS (a year on year increase of 5.26%) and £4,900 in the Senior School (an increase of 4.23%).

Academic results in public examinations are outstanding:

- At A level, the 101 Year 13 candidates were successful in all examinations taken, with 93% graded A\* A, or B (33% at A\*).
- At GCSE and IGCSE, 1134 examinations were taken by the 107 Year 11 pupils. Overall 98% of all entries were awarded A\* or A, with 81% at A\*.
- At Key Stage Two (taken by Year 6 pupils aged 10/11), all pupils achieved the national target for 11 year olds in all subjects. The proportion of pupils in Year 6 achieving at least the national target for 13/14 year olds (level 5) was: Reading 96%; Grammar 100%; Mathematics 96%. Science is no longer tested at KS2.

- At Key Stage One (taken by Year 2 children aged 6/7), all pupils achieved Level 2 (the national target for 7 year olds) in all subjects. The proportion of children achieving the national target for 8/9 year old children (Level 3) was: Speaking/Listening 100%; Reading 92%; Writing 64%; Mathematics 75%; Science 100%.

In addition to these excellent academic achievements across the whole School, the wide variety of first class music-making, sport, drama and extra-curricular activities undertaken, the arrangements for local state school and community use of facilities, and the pupils' many community-based outreach programmes (including participation in the Community Sports Leaders Award scheme) have ensured that the overarching objective of maintaining achievement of the *Aims of the School* has continued. A fully comprehensive report covering all aspects and activities of the Charity during the year is published separately and can be found on the School's website: [www.jags.org.uk](http://www.jags.org.uk).

## Details of Bursary and Scholarship Awards

### James Allen's Bursaries

In 2013/14, the value of means-tested bursaries awarded to Senior School pupils totalled £1.8m and represented 14% of Senior School fees (2012/13 15%).

23 bursary places were awarded in the year. Of the 123 pupils with a Bursary place, 61 benefited from full remission of fees.

Since the Government ceased its Assisted Places Scheme in 1998, JAGS has assisted 282 pupils through their Senior School education. Its target is to award at previous government levels, i.e. 30 bursaries a year. Currently the School is achieving at least 22 new bursaries in total annually, as it seeks to build its fund to support this target.

Set out below is a table showing the contribution to fees made in the year ended 31 August 2014 by parents of the 123 pupils currently on James Allen's Bursary Fund places. Of these, 50% are totally free and 69% are paying under £2,000 a year.

Parental Contribution	Pupils	Percentage
£0	61	50%
£1 - £999	10	8%
£1,000 - £1,999	14	11%
£2,000 - £2,999	7	5%
£3,000 - £3,999	14	11%
£4,000 - £4,999	6	5%
£5,000 - £5,999	2	2%
£6,000 - £6,999	5	4%
£7,000 - £7,999	1	1%
£8,000 - £8,999	1	1%
£9,000 - £9,999	1	1%
£12,000 - £13,999	1	1%
	<b>123</b>	<b>100%</b>

## Scholarships

In 2013/14, the School awarded 17 new scholarships at 11+. 17 new scholarships were also awarded to pupils entering the sixth form (Year 12). A total of 164 pupils were in receipt of scholarship awards in the year at a cost of £166k, being 1.5% of gross Senior School fees (2012/13 £176k and 1.6%). 8 eligible scholarship holders were further supported by bursaries and are included above.

The progress of pupils receiving scholarships is reviewed at least annually to ensure it is in line with their abilities. No scholarships were withdrawn in the year as a result of these reviews.

## Review

The Governors continue to review the bursary and scholarship arrangements annually to ensure that, so far as is possible, able children can accept places through the availability of means-tested assistance.

## PARTNERSHIPS AND ACTIVITIES WITH LOCAL SCHOOLS AND THE WIDER COMMUNITY

Pupils of all ages and staff at JAGS have developed a wide range of partnerships and activities with local schools and the wider community over a number of years. Much charitable fundraising is also undertaken by Houses and individual girls. In 2013/14 charities supported included Jeans for Genes, Teens Unite Fighting Cancer, Willow Foundation, Readathon, Water Aid, Leukaemia Busters, MS Society, Unicef and the Poppy Appeal. These events during the year across the whole School raised £11,865 (2012/13:£12,051).

A global initiative and first for the School this year was accepting an invitation for 20 Y9 girls to join the co-founders of Free the Children, celebrities and 12,000 young people at the first UK WE Day, held at Wembley Stadium. Challenged by the speakers, who included Malala Yousafzai, the girls took the message to find your passion, speak up and believe in yourself; they delivered an inspirational assembly to their year group in the spring term with practical examples of how they themselves give back to society. "The main thing is that you get involved, get your friends involved and give back for the benefit of others. Remember: be pro-social."

The girls have continued to show considerable commitment to the school and wider community, spending time with local, isolated elderly people, or running language and other clubs or assisting with young pupils at local primary schools. This past year, senior pupils have worked with the Drama department to lead workshops for Kids Company children, cooking supper for them afterwards. Post GCSE Year 11 pupils spent three weeks in the summer working with The Challenge on a national programme, designed to bring bright minds together on this innovative Citizen Service initiative. Year 10 and 11 pupils also worked on projects with Turney, Bessemer Grange and Rye Oak schools at the end of their summer term. The Head of Community Action and four Y13 were invited to City Hall for the Team London Ambassadors event, the only school pupils there and brilliant representatives of JAGS volunteers.

***The Saturday Literacy Scheme*** for local Year 3 pupils from 11 primary schools, founded in 1997, could not run without forty Year 10 and 11 mentors. For a fourteenth challenging year we have also worked with disadvantaged children in *Romania*, with Year 12 girls working hard to make a difference in the face of great deprivation. Their commitment, resourcefulness and personal development on this programme is dramatic and their achievement to be applauded. Girls and staff are generous with their time and energy, and derive much themselves from their experience of ***community action***.

Similarly, our TfL Travel Ambassadors Y10 Travel Ambassadors found their own solution to the challenge of improving travel and lifestyle for young people in London, working with local professionals, including Sustrans officer, Dr Bike and the chair of Dulwich and Herne Hill Safer Routes to School. The TfL dragons singled them out as the most professional team and awarded them funding for their scheme to help get girls on bikes.

The *Southwark Schools' Learning Partnership* continues to inspire co-operative learning between teachers and pupils from 3 independent and 9 state schools. Our SSLP partners have been involved here in medical school application preparation, in an inter-schools Y9 quiz in Geography and in a workshop designed for those considering Geography at university. Senior pupils joined other SSLP schools and human rights lawyers from Liberty in a workshop hosted by Dulwich College promoting awareness of human and civil rights. SSLP Glee Day, hosted at Dulwich College, kept 60 young people from eight SSLP schools intensely focused on words, tone and diction. The wonderful concert which followed was a spirited display of integration and harmony - just what SSLP stands for! Meanwhile teachers from SSLP schools and others in neighbouring boroughs embarked on a challenging 2-year project funded by the London Schools' Excellence Fund, to develop innovative teaching materials in English, MFL, Chemistry and Physics, under the guidance of Marion Gibbs, Headmistress of JAGS and Dr Irene Bishop.

As well as teaching swimming to seven primary schools in the pool, the Charter School, JAPS and JAGS, the JAGS Sports Club Staff run a full programme of sports and other life-enhancing activities for the local community, including the London Schools' Disability Swimming Gala, Dulwich Magic Junior Football Club and the JAGS Sports Academy (see below).

At weekends and during the school holidays nearly 500 boys and girls, aged 4-18, from 80 state and independent London schools take part in *JASSPA*, James Allen's Saturday School for the Performing Arts, which was founded in 1993. Individual music lessons, choir, bands and story-telling are offered. JASSPA Youth Theatre stages productions in the JAGS theatre which are open to the public.

Cultivating respect for the elderly is equally rewarding with our pupils visiting regularly residents in the area. Working with local initiatives, JAGS has a *Silver Surfers* partnership with Dulwich Helpline, which recruits local elderly people who would like help with computer skills. JAGS sixth formers choose this as part of their Liberal Studies curriculum, and every Monday meet the elderly people in the computer room for an hour's individual tuition at their own level. Dulwich Picture Gallery Intergenerational Art projects involve JAGS girls and local elderly people in working together on a challenging art project aimed at beginners as well as specialists. They learn to draw each other and to understand each other's perspectives.

JAGS' love of music and engagement with the community takes many forms. The South London Youth Orchestra (*SLYO*) holiday courses have brought together talented and enthusiastic young people from all over south London, channelling all that they had learnt from their section tutors into their concert performance.

Working alongside local professional and amateur instrumentalists in James Allen Community Orchestra (*JACO*) broadens the experience of JAGS' senior musicians. JACO played two concerts in the Autumn and Spring, in support of Dulwich Helpline, to enthusiastic local audiences. JAGS hosted a sell-out Jazz Evening for Dulwich Helpline with great performances from all the local schools.

Any adult can join the *JAGS Choral Society*, which rehearses weekly at the School. Lending tenor and base voices and strengthening the soprano and altos in the School choirs in concerts, the Choral Society has its own June concert.

The School is very proud to share its wonderful facilities, resources and expertise.

## **JAGS Community Enterprises Limited**

As part of JAGS Community Enterprises Limited, JAGS Sports Club uses the sports facilities of the Charity. The climbing wall has still proved very popular with members and pupils alike.

It operates as a private members' club whose surpluses support the James Allen's Bursary Fund and provides school holiday and other courses for its members and the local community under the JAGS Sports Academy banner. Nearly 5,000 local people may use the facilities out of school hours. As with previous years the 'Get Safe for Summer' swimming course was offered free to local schools in addition to the other community sport described above. The Baby Booters' soccer on Saturday mornings has completed its fifth very successful year. Amateur Swimming Association and National Pool Lifeguard courses continue providing a good source of revenue as well as a steady stream of employable individuals.

During school holiday periods, the JAGS Sports Academy offered a very successful combination of different sports and activities to children of all ages, with many courses fully subscribed. In all, 52 separate courses were offered.

## **FINANCIAL REVIEW**

The accounts which form part of this report reflect the income generated and the expenditure incurred by the School and its wholly owned trading subsidiary, JAGS Community Enterprises Limited (JCE Limited), for the year.

### **Charitable Status**

The parents of JAGS' pupils have the assurance that all the income of the School, as a charity, must be applied for educational purposes. JAGS benefits from tax exemption on its educational activities and on its investment income and gains, provided these are applied for its charitable aims. The School is also entitled to an 80% reduction on business rates on the properties occupied for its charitable purposes. The financial benefits of these tax exemptions are all applied for educational purposes and indirectly help to maintain the James Allen's Bursary Fund and community outreach programmes. However, as an educational charity, exempt for VAT purposes, the School is unable to reclaim VAT input tax on its costs. The School also pays tax as an employer through the national insurance contributions it makes.

In addition to the substantial benefits the School brings to its pupils, the local community and society through the education offered, the bursary and community outreach programmes create a social asset without cost to the Exchequer.

### **Financial Results**

In 2013/14 the net incoming resources of the Charity amounted to £1,405k (2012/13: £2,412k after recording the receipt of an additional £1,188k from the Dulwich Estate). Net tuition fees accounted for 74% of total School income (2012/13: 71%) and the surplus generated solely from the operation of the School before financing costs and fee reductions was 13.5% (31 August 2013 13.6%) of gross tuition fee income. The Governors continue to apply all net incoming resources to the educational purposes and fabric of the School. No tuition fees from parents are applied to fee assistance: funding for this comes from the annual distribution of the Dulwich Estate, investment income and surpluses generated by JCE Limited.

The trading results of JCE Limited are set out in note 7 to the Accounts. Its main activity during the period continued to be the operation of the JAGS Sports Club. A surplus of £413k (2012/13: £336k) excluding the licence fee of £240k (2012/13: £225K) has been made, all of which was used to help fund bursaries.

Excluding any value of the School's reversionary freehold site in East Dulwich Grove (insured for £66m), and after revaluation of financial investments (which increased in value by £1.3m over the year, James Allen's Bursary donations and other investments totalling £315k and an unrealised gain of £1m), the consolidated net assets of the Charity increased from £26.7m at 31 August 2013 to £29.1m at 31 August 2014.

### ***Reserves Policy***

It is the Governors' policy to utilise tuition fee income to operate the School and the Charity. It is their intention that the 'School Result' (i.e. fees and other educational and ancillary income less the running costs of the School and excluding all financing charges) equates to an annual surplus equivalent to at least 10% of fee income, for the purpose of providing a contribution towards financing, capital and development needs. Non-fee income is used to provide assistance with fees in appropriate cases as noted above. It is the Governors' long term objective to eliminate external borrowings.

The Governors, through the Finance & General Purposes Committee and the School's officers, regularly monitor and review financial performance.

### ***Investment Policy and Performance***

It is the Governors' policy that financial investments be invested so as to maintain their underlying value and thereafter to maximise income. The Finance & General Purposes Committee receives quarterly reports and reviews investment strategy formally every two years. A formal review of the investment policy was completed in 2014 as planned. On this basis the strategic asset allocation of the portfolio was fine-tuned to equities 68% (previously 70%), fixed interest 21%(previously 20%),property 7% (previously 10%), infrastructure 3% and cash 1%.

Overall, income from financial investments of £551k in the period represented a yield of 4% on the average capital value in the year. The underlying value of investments increased from £12.6m (at 31 August 2013) to £13.9m at 31 August 2014,

The Charity's financial investments previously managed approximately 98% (by value) by BlackRock Investment Managers and 2% by the Charities Property Fund were transferred in total (100%) to Investec Wealth & Investment.

### ***Fundraising***

The School's Development Director is building a support framework for alumnae and parents, which combined with the potential partnerships he has been nurturing looks set to provide a strong funding platform for the Community Music Centre at JAGS and growth in the number of bursaries the School can offer.

### **FUTURE PLANS**

The Overarching Strategic Objectives for 2010-2015 (which permeate the entire Whole School Development Plan) are to:

- ✓ • Maintain the high level of academic achievement and excellence in extra-curricular activities, while fostering pupils' well-being
- Increase the number of means-tested bursaries so that, in due course, places will be available to all who qualify, irrespective of financial means
- Continue to develop JAGS's extensive commitments to and involvement in the local and wider community

- Continue to improve the School's facilities, especially those for music, and to encourage their use by other local schools and the wider community
- Ensure that JAGS continues to develop its environmental awareness and commitment to sustainability in all areas of the School, including reduction of its energy use
- Continue to develop JAGS's ICT systems and expertise to support teaching, learning, administration and appropriate communication with the wider world.

JAGS continues to review the School's academic syllabus and performance, benchmarking against national and local standards, and independent value-added criteria.

With the exception of the proposed *Community Music Centre at JAGS*, for which a separate fundraising campaign has been launched, and Bursary funding, future plans are financed primarily from fee income and reserves, since it is the Governors' policy to eliminate long term borrowing when possible. The Governors strive to maintain an equitable balance ensuring current pupils benefit whilst at the same time ensuring a sound infrastructure and financial base are preserved for generations of pupils still to come, in the same way as current pupils benefit from investments made in the past.

The James Allen's Bursary Fund is a key element in widening access to the education which the School provides. The possibility of extending the scheme to the Preparatory School is considered annually, as is the earnings threshold and sliding scale of contributions which parents are assessed as being required to contribute. This annual review will continue, acknowledging the sources from which the funding comes (see above), and making sure that fee-paying parents do not subsidise bursaries. JAGS remains grateful to the Dulwich Estate for their annual distribution which makes a significant difference to its bursary funding.

There is a programme of planned maintenance and renewal covering both building fabric and IT, and this will continue. Various classrooms were refurbished in the year and the IT infrastructure was further enhanced.

Environmental issues continue to be a high priority in the School as it continues to work with LB Southwark and other local schools on environmental matters.

## **PRINCIPAL RISK AND UNCERTAINTIES**

The Board is responsible for the management of the risks faced by the Charity, and undertakes detailed considerations of risk assisted by the Headmistress, the Head Teacher of JAPS and the Bursar/Clerk. Risks are identified and assessed and controls established. A formal review of the Charity's risk management processes is undertaken twice a year. In addition the management of risk is incorporated into its decision-making processes.

Of the ten major risks that the Board has identified and monitors regularly, the top two risks relate to the delivery of major projects and the financial impact thereof on the School's resources.

The Governors recognise that systems can provide reasonable but not absolute assurance that major risks have been adequately managed. However, through the risk management processes established for the School, the Governors are satisfied that the major risks have been identified and appropriate steps taken to mitigate them. The School does not use financial instruments as part of its financial risk management. It is exposed to the usual credit and cash flow risks associated with its operation and manages these risks through its internal control procedures.

## **APPOINTMENT OF INDEPENDENT AUDITOR**

Having indicated their willingness, BDO LLP have been re-appointed as independent auditor to the Charity for the year ending 31 August 2015.

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who are the trustees for charity purposes and also directors of the company for the purposes of company law) are responsible for preparing the Governors' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

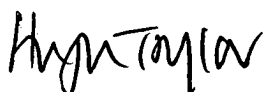
Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources, including its income and expenditure, of the group for the year. In preparing those financial statements the governors are required to:

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

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

Each of the governors has confirmed that so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware and that they have taken all steps that they ought to have taken as a governor in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Annual Report of Governors (incorporating the Strategic Report) was approved by the Board of Governors of James Allen's Girls' School on 2 December 2014 and signed on its behalf by:



Sir Hugh Taylor  
Chair of Governors



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**JAMES ALLEN'S GIRLS' SCHOOL**

We have audited the financial statements of James Allen's Girls' School for the year ended 31 August 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

**Respective responsibilities of Governors and auditor**

As explained more fully in the Statement of Governor's Responsibilities, the governors (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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2014, and of the group's incoming resources and application of resources, including its 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Annual Report of Governors (incorporating the Strategic report), for the financial year for which the financial statements are prepared, is consistent with the financial statements.

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

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

- the parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Andrew Stickland  
Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick  
United Kingdom  
Date: 5 December 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**JAMES ALLEN'S GIRLS' SCHOOL**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 AUGUST 2014**

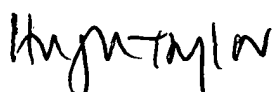
		<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>Endowment</u>	<u>2014</u>	<u>Restated</u>
	<u>Note</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>2013</u>
		£	£	£	£	£	£
<b>INCOMING RESOURCES</b>							
<b>Income from Charitable Activities</b>							
Net School Fees	2 & 23	14,052,402	-	-	-	14,052,402	13,856,330
Other Educational Income	3	31,910	-	-	-	31,910	29,437
Other Ancillary Income	3	1,238,708	-	-	-	1,238,708	1,154,738
<b>Incoming Resources from Generated Funds</b>							
Trading Subsidiary	7	1,489,234	-	-	-	1,489,234	1,406,020
Investment Income		416,162	4	114,384	-	530,550	415,684
Donations		-	4,331	59,787	34,590	98,708	107,555
The Dulwich Estate		1,452,146	-	-	-	1,452,146	2,570,816
Other Incoming Resources	4	33,803	-	-	-	33,803	24,204
<b>Total Incoming Resources</b>		<b>18,714,365</b>	<b>4,335</b>	<b>174,171</b>	<b>34,590</b>	<b>18,927,461</b>	<b>19,564,784</b>
<b>RESOURCES EXPENDED</b>							
<b>Cost of Generating Funds</b>							
Fund Raising and Publicity		448,137	-	-	-	448,137	455,639
Finance Costs		288,350	7,968	-	-	296,318	326,431
Trading Subsidiary	7	1,075,748	-	-	-	1,075,748	1,069,902
		<b>1,812,235</b>	<b>7,968</b>	<b>-</b>	<b>-</b>	<b>1,820,203</b>	<b>1,851,972</b>
<b>Charitable Activities</b>							
Teaching Costs		11,534,419	-	-	-	11,534,419	11,143,343
Welfare and Catering Costs		960,297	-	-	-	960,297	934,380
Premises Costs		2,712,745	-	-	-	2,712,745	2,637,035
Support and Awards	22	292,376	-	128,608	-	420,984	476,061
		<b>15,499,837</b>	<b>-</b>	<b>128,608</b>	<b>-</b>	<b>15,628,445</b>	<b>15,190,819</b>
<b>Governance</b>		<b>73,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,715</b>	<b>109,982</b>
<b>Total Resources Expended</b>	<b>6</b>	<b>17,385,787</b>	<b>7,968</b>	<b>128,608</b>	<b>-</b>	<b>17,522,363</b>	<b>17,152,773</b>
<b>Net Incoming Resources Before Transfers</b>		<b>1,328,578</b>	<b>(3,633)</b>	<b>45,563</b>	<b>34,590</b>	<b>1,405,098</b>	<b>2,412,011</b>
Transfers Between Funds	16	24,351	3,633	(27,984)	-	-	-
<b>NET INCOMING RESOURCES</b>		<b>1,352,929</b>	<b>-</b>	<b>17,579</b>	<b>34,590</b>	<b>1,405,098</b>	<b>2,412,011</b>
<b>Realised and Unrealised Gains</b>							
on Investment Assets	10	-	-	-	1,036,019	1,036,019	820,039
<b>Net Movements In Funds</b>		<b>1,352,929</b>	<b>-</b>	<b>17,579</b>	<b>1,070,609</b>	<b>2,441,117</b>	<b>3,232,050</b>
<b>Fund Balance at 1 September 2013</b>		<b>3,810,477</b>	<b>-</b>	<b>960,499</b>	<b>21,913,562</b>	<b>26,684,538</b>	<b>23,452,488</b>
<b>Fund Balance at 31 August 2014</b>		<b>5,163,406</b>	<b>-</b>	<b>978,078</b>	<b>22,984,171</b>	<b>29,125,655</b>	<b>26,684,538</b>

All amounts relate to continuing operations. All gains and losses recognised in the year are included above.

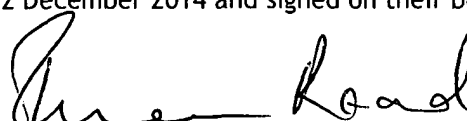
**JAMES ALLEN'S GIRLS' SCHOOL**  
**Company Number 6618970**  
**CONSOLIDATED BALANCE SHEET**

		<u>31 August 2014</u>		<u>31 August 2013</u>	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Buildings	8	24,011,578		24,335,974	
Vehicles and Equipment	9	1,068,014		849,204	
			25,079,592		25,185,178
<b>INVESTMENTS</b>	10		13,925,332		12,574,313
			39,004,924		37,759,491
<b>CURRENT ASSETS</b>					
Stock		18,405		18,014	
Debtors and Prepayments	11	306,232		518,470	
Cash at Bank and In Hand		1,402,598		258,944	
		1,727,235		795,428	
<b>CURRENT LIABILITIES</b>					
Creditors and Accruals	12	2,119,095		1,708,280	
Loans falling due within one year	13	697,701		691,220	
		2,816,796		2,399,500	
<b>NET CURRENT (LIABILITIES)</b>			(1,089,561)		(1,604,072)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			37,915,363		36,155,419
<b>LONG TERM LIABILITIES</b>					
Fee Deposits		541,800		516,548	
Loans	13	8,101,231		8,791,489	
Advance Fees	14	146,677		162,844	
			(8,789,708)		(9,470,881)
<b>TOTAL NET ASSETS</b>			29,125,655		26,684,538
<b>ENDOWMENT FUND</b>	16a		22,984,171		21,913,562
<b>RESTRICTED FUNDS</b>	16b		978,078		615,050
<b>UNRESTRICTED FUNDS</b>	16c		5,163,406		4,155,926
			29,125,655		26,684,538

Accounts approved and authorised for issue by the Governors on 2 December 2014 and signed on their behalf by:-



Sir Hugh Taylor  
Governor



Mrs Frances Read  
Governor

**JAMES ALLEN'S GIRLS' SCHOOL****Company Number 6618970****BALANCE SHEET**

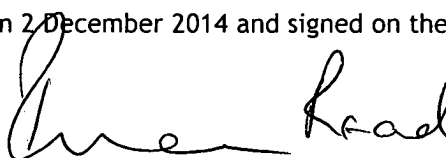
		<u>31 August 2014</u>		<u>31 August 2013</u>	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Buildings	8	23,704,428		23,991,761	
Vehicles and Equipment	9	880,645		757,288	
			24,585,073		24,749,049
<b>INVESTMENTS</b>	10		13,925,334		12,574,315
			38,510,407		37,323,364
<b>CURRENT ASSETS</b>					
Stock		18,405		18,014	
Debtors and Prepayments	11	592,528		861,930	
Cash at Bank and In Hand		1,336,147		218,344	
		1,947,080		1,098,288	
<b>CURRENT LIABILITIES</b>					
Creditors and Accruals	12	1,844,423		1,575,013	
Loans falling due within one year	13	697,701		691,220	
		2,542,124		2,266,233	
<b>NET CURRENT (LIABILITIES)</b>			(595,044)		(1,167,945)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			37,915,363		36,155,419
<b>LONG TERM LIABILITIES</b>					
Fee Deposits		541,800		516,548	
Loans	13	8,101,231		8,791,489	
Advance Fees	14	146,677		162,844	
			(8,789,708)		(9,470,881)
<b>TOTAL NET ASSETS</b>			29,125,655		26,684,538
<b>ENDOWMENT FUND</b>	16a		22,984,171		21,913,562
<b>RESTRICTED FUNDS</b>	16b		978,078		960,499
<b>UNRESTRICTED FUNDS</b>	16c		5,163,406		3,810,477
			29,125,655		26,684,538

Accounts approved and authorised for issue by the Governors on 20 December 2014 and signed on their behalf by:-



Sir Hugh Taylor

Governor



Mrs Frances Read

Governor

**JAMES ALLEN'S GIRLS' SCHOOL**  
**CONSOLIDATED CASHFLOW STATEMENT**  
**YEAR ENDED 31 AUGUST 2014**

		<u>31 August 2014</u>		<u>31 August 2013</u>	
	Note	£	£	£	£
<b>Net Cash Flow from Operating Activities</b>					
Operating Surplus for the year			2,722,677		2,112,439
Dulwich Estate Capital Distribution			-		1,187,900
	19		<u>2,722,677</u>		<u>3,300,339</u>
<b>Returns on Investment and the Servicing of Finance</b>					
Investment Income Received		530,550		415,684	
Interest Paid		<u>(254,961)</u>		<u>(275,896)</u>	
			275,589		139,788
<b>Capital Expenditure and Financial Investments</b>					
Buildings and Leasehold		(338,816)		(219,860)	
Purchase of other Tangible Fixed Assets		(530,457)		(232,186)	
Investment		(315,000)		(334,129)	
Transfer from BlackRock		13,380,432		-	
Transfer to Investec		<u>(13,380,432)</u>		<u>-</u>	
Investment of Dulwich Estate Capital Distribution		-		(1,187,900)	
			<u>(1,184,273)</u>		<u>(1,974,075)</u>
<b>Cash Inflow before Movements on Advance Fees and Financing</b>					
			1,813,993		1,466,052
<b>Advance Fees</b>					
New Contracts		267,417		126,137	
Amounts Utilised and Repaid		<u>(244,942)</u>		<u>(220,304)</u>	
			22,475		(94,167)
<b>Total Net Cash Flow before Financing</b>					
			<u>1,836,468</u>		<u>1,371,885</u>
<b>Financing</b>					
Loan Repaid		(683,777)		(667,283)	
Lease Purchase Repaid		<u>(9,037)</u>		<u>(31,699)</u>	
			(692,814)		(698,982)
<b>Increase in Cash</b>					
	20		<u><u>1,143,654</u></u>		<u><u>672,903</u></u>

**JAMES ALLEN'S GIRLS' SCHOOL**  
**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014**

## **1 Accounting Policies**

**Basis of Accounting** The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments at market value. The accounts are in accordance with applicable accounting standards and with the principles contained in the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" issued by the Charity Commissioners for England and Wales.

### **Basis of consolidation**

The consolidated financial statements include the results of the School and its subsidiary, JAGS Community Enterprises Limited (the subsidiary), which is accounted for on an equity basis. All activities are consolidated on a line by line basis in the consolidated Statement of Financial Activities. Accordingly, the Consolidated Statement of Financial Activities reflects the incoming resources and resources expended of the Group and not the School as an individual entity. As permitted by the Companies Act 2006, the Statement of Financial Activities of the Parent company is not presented as part of these financial statements under section 408.

### **Going Concern**

As shown on the balance sheet the Group has net current liabilities of £1.1m (2013 £1.6m). The School is confident of the continued support of its bankers, HSBC, and therefore that the going concern basis is appropriate in the preparation of the financial Statements. This confidence is based on the regular monitoring of the School's ability to meet its covenants to HSBC.

### **Fees Receivable**

School fees are credited to income in the period for which they are receivable. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school from restricted funds but includes contributions received from endowment and restricted funds for scholarships, bursaries and other monies received from third parties. Fees that are received in advance of the academic year to which they relate are treated as creditors and released in the year to which they relate.

### **Incoming Resources**

The distribution from the Dulwich Estate and similar income are shown in the accounts on a received basis. Donations and legacies are accounted for on a receivable basis where the income is certain. Donations for purposes restricted by the wishes of the donor are taken to "restricted funds" where these wishes are legally binding on the Governors. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as "endowments" - permanent or expendable - according to the nature of the restriction. All donations in respect of the James Allen's Bursary Fund unless specifically allocated otherwise by the donor will be treated as endowments and will be invested as soon as practical. The income arising from the investment will be applied to Bursaries. All other incoming resources are included in income on an accruals basis that is accounted for in the period in which it is attributable.

### **Resources Expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that category. Certain costs incurred after the end of the Summer term are deferred where the benefit will not be realised until the start of the Autumn term. Such costs (unless capital) are shown in the accounts as prepayments. Cost of generating funds comprise trading costs of the School's subsidiary, JAGS Community Enterprises Limited, fundraising costs and finance costs. Costs of activities in furtherance of the charity objectives comprise expenditure directly related to the provision of education. Governance costs are the costs associated with the governance arrangements of the Charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the School's activities. The basis for allocation of support costs and allocated staff costs is a combination of management estimates, headcounts and non-salary expenditure, as set out in note 6.

**JAMES ALLEN'S GIRLS' SCHOOL**  
**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**1 Accounting Policies (Continued)**

Certain of these grants and bursaries are met from the School's restricted funds and the amount of the grant or bursary is charged to expenditure on the restricted fund.

**School Buildings, Vehicles and Equipment**

The reversionary freehold of the School's site is not valued for accounting purposes on the basis that:

- the interest was acquired at £Nil cost in 1886 and at varying times thereafter,
- the cost of obtaining such a valuation would outweigh the benefit to readers of the Accounts and
- if no longer required for School purposes, the freehold reverts to the Dulwich Estate.

**Capitalisation of Fixed Assets and Depreciation**

Any costs relating to a specific capital project are capitalised irrespective of the amount. Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:-

Short Leasehold Property - Over the life of the lease	Computer Equipment - 5 years
Buildings Improvements - 10 to 50 years	Motor Vehicles - 3 to 5 years
Sports and Grounds Complex - 50 years	Other Equipment - 5 to 10 years
Freehold Property - 50 years	

Depreciation in respect of buildings under construction will not commence until they are completed and come into use by the School.

**Investments**

Investments are stated at market value. Realised and unrealised losses or gains are taken to the Statement of Financial Activities in the year. The investment in the Subsidiary, which is included in the Charity's balance sheet, is included at cost.

**Stock**

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

**Leases**

Expenditure on operating lease rentals is charged to the Statement of Financial Activities as and when it is incurred. Assets purchased under finance leases are capitalised and depreciated over their useful lives. Interest charges incurred on finance leases are included within finance charges.

**Pension Costs**

The School contributes to the Teachers' Superannuation Scheme at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. These rates are estimated to spread the costs over the remaining service lives of the members of the Scheme. For support staff, the School also contributes to The Pensions Trust Pension Scheme, accounted for as a defined contribution scheme. The costs are included as expenditure when due. The School's pension provision for support staff is made through two plans which are administered by The Pensions Trust. The growth plan is in most respects a money purchase arrangement but there are certain guarantees made to participants. The flexible retirement plan is a standard defined contribution scheme. As the Plans are both multi-employer schemes, the accounting charge for pension costs for the year presents the contribution payable by the School for the year. Further details of the plans can be found in note 19.

**Advance Fees - Fees Composition Scheme**

Financing costs include amounts accrued in accordance with the terms of the Advance Fees contract representing the present value of discounts given for payment in advance.

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

	<u>2014</u>	<u>2013</u>
<b>2 School Fees</b>	<b>£</b>	<b>£</b>
Net Tuition Fees (see note 22)	13,601,439	13,442,734
James Allen's Saturday School for the Performing Arts	396,275	358,351
Speech and Drama, Music and Dance Lessons	54,688	55,245
	<u>14,052,402</u>	<u>13,856,330</u>
<b>3 Other Educational Income</b>		
Registration Fees	<u>31,910</u>	<u>29,437</u>
<b>Other Ancillary Income</b>	<b>£</b>	<b>£</b>
Insurance Commissions	43,334	44,914
School Trips	469,589	438,391
Other Commercial Activities	49,883	8,282
Catering Income	675,902	663,151
	<u>1,238,708</u>	<u>1,154,738</u>
<b>4 Other Incoming Resources</b>	<b>£</b>	<b>£</b>
Monthly Payers' Administration Charge	23,238	24,204
Other	10,565	-
	<u>33,803</u>	<u>24,204</u>
<b>5 Expenditure</b>		
Other expenditure includes:-	<b>£</b>	<b>£</b>
Auditor's remuneration - Audit	18,175	17,770
- Other	2,550	2,325
Operating Leases	81,714	80,527
Depreciation and Amortisation	<u>974,859</u>	<u>964,472</u>
Staff costs:-	<b>£</b>	<b>£</b>
Wages and salaries	9,634,933	9,413,229
Social security costs	861,722	847,661
Pension contributions - Teaching Staff	866,275	833,044
Pension contributions - Support Staff	181,197	139,109
	<u>11,544,127</u>	<u>11,233,043</u>

The average number of employees in the year was 313 (2013 - 315) of whom 195 (2013 - 195) were teaching staff. None of the Governors nor persons connected with them received any remuneration or other benefits from the School or any connected organisation.

Trustees' indemnity insurance is included within the Public Liability Premium at a total cost of £5,700 (2013 - £5,560).

The number of employees whose emoluments on an annual basis, excluding pensions, exceeded £60,000 were:-

	<u>2014</u>	<u>2013</u>
£60,001 - £70,000	22	17
£70,001 - £80,000	5	6
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£150,001 - £160,000	1	1

In addition, £254,450 (2013- £236,408) was paid in pensions payments in respect of the 30 (2013 - 26) employees above.



**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**6 Analysis of Total Resources Expended**

	<u>Staff Costs</u>	<u>Direct Costs</u>	<u>Allocated Support Costs</u>	<u>Depreciation</u>	<u>2014 Total</u>	<u>2013 Total</u>
	£	£	£	£	£	£
<b>Activities for Generating Funds</b>						
Fund Raising and Publicity	286,030	119,320	23,028	19,759	448,137	455,639
Finance Costs	3,362	292,956	-	-	296,318	326,431
Trading Subsidiary	529,676	484,462	-	61,610	1,075,748	1,069,902
	<u>819,068</u>	<u>896,738</u>	<u>23,028</u>	<u>81,369</u>	<u>1,820,203</u>	<u>1,851,972</u>
<b>Activities in the furtherance of the Charity's Objects</b>						
Teaching	9,622,654	1,539,241	161,198	211,326	11,534,419	11,143,343
Welfare	449,185	489,718	11,514	9,880	960,297	934,380
Premises	640,315	1,377,118	23,028	672,284	2,712,745	2,637,035
Support and Awards	33,621	375,849	11,514	-	420,984	476,061
Total	<u>10,745,775</u>	<u>3,781,926</u>	<u>207,254</u>	<u>893,490</u>	<u>15,628,445</u>	<u>15,190,819</u>
<b>Governance Costs</b>	<u>33,621</u>	<u>-</u>	<u>40,094</u>	<u>-</u>	<u>73,715</u>	<u>109,982</u>
<b>Total Resources Expended</b>	<u>11,598,464</u>	<u>4,678,664</u>	<u>270,376</u>	<u>974,859</u>	<u>17,522,363</u>	<u>17,152,773</u>

Staff Costs include both direct staff costs and allocated support staff costs.

	<u>2014</u>	<u>2013</u>
	£	£
Support Costs (including Management and Administration):-		
Staff costs allocated to Activities	806,019	792,044
Costs allocated to Activities	270,376	315,130
	<u>1,076,395</u>	<u>1,107,174</u>

Support Costs are allocated as follows:-

**Staff Costs**

Fund Raising and Publicity	33,621	33,190
Finance Costs	3,362	3,319
Teaching	584,121	572,990
Welfare	33,621	33,190
Premises	84,052	82,975
Fee Support and Awards	33,621	33,190
Governance	33,621	33,190
	<u>806,019</u>	<u>792,044</u>

**Allocated Costs**

	<u>Fund Raising</u>	<u>Teaching</u>	<u>Welfare</u>	<u>Premises</u>	<u>Support &amp; Awards</u>	<u>Governance Costs</u>	<u>Total</u>
	£	£	£	£	£	£	£
Postage & Stationery	8,529	59,704	4,265	8,529	4,265	-	85,292
Telephone	10,163	71,140	5,081	10,163	5,081	-	101,628
Vehicle Expenditure	1,969	13,786	985	1,969	985	-	19,694
Miscellaneous	2,367	16,568	1,183	2,367	1,183	-	23,668
Legal and Other Fees	-	-	-	-	-	24,932	24,932
Audit Fees	-	-	-	-	-	15,162	15,162
	<u>23,028</u>	<u>161,198</u>	<u>11,514</u>	<u>23,028</u>	<u>11,514</u>	<u>40,094</u>	<u>270,376</u>

The basis for allocation of support costs and allocated staff costs is a combination of management estimates, headcounts and non-salary expenditure.

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**7 Net Income From Trading Activity of the Subsidiary**

The Charity has a wholly owned trading subsidiary, JAGS Community Enterprises Limited, which is a company incorporated in England with an issued share capital of two ordinary shares of £1 each fully paid. The principal activity of the company during the period was the management of a sports club. It has entered into a deed of covenant to pay the School the whole of its profits for each accounting period as computed for taxation purposes.

The trading results of the Subsidiary for the year ended 31 August 2014 are summarised below. At 31 August 2014 the Subsidiary owed £303,899 to the School (31 August 2013 the School was owed £369,090).

<b>Profit and Loss Account of Subsidiary</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
	<b>£</b>	<b>£</b>
Turnover	1,489,234	1,406,020
Cost of Sales	(602,068)	(571,848)
Gross Profit	887,166	834,172
Administrative Expenses	(473,565)	(496,557)
Interest Paid	(115)	(1,497)
Operating Profit Before Licence Fee	413,486	336,118
Licence Fee to the School	(240,000)	(225,000)
Operating Profit	173,486	111,118
Amount Covenanted to the School	(173,486)	(111,118)
Reserves Brought Forward	-	-
Reserves Carried Forward	-	-

**8 Fixed Assets - Buildings**

<b>Consolidated</b>	<b><u>Buildings</u></b>	<b><u>Asset Under</u></b>	<b><u>Sports and</u></b>	<b><u>Freehold</u></b>	<b><u>Total</u></b>
	<b><u>Improvements</u></b>	<b><u>Construction</u></b>	<b><u>Grounds</u></b>	<b><u>Property</u></b>	
	<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
Cost					
Balance at 1 August 2013	20,063,837	465,685	7,660,117	3,899,937	32,089,576
Additions	263,603	75,213	-	-	338,816
Balance at 31 August 2014	20,327,440	540,898	7,660,117	3,899,937	32,428,392
Depreciation					
Balance at 1 August 2013	5,241,627	-	1,673,890	838,085	7,753,602
Charge for year	432,011	-	153,202	77,999	663,212
Balance at 31 August 2014	5,673,638	-	1,827,092	916,084	8,416,814
Net Book Value at 31 August 2014	14,653,802	540,898	5,833,025	2,983,853	24,011,578
Net Book Value at 31 August 2013	14,822,210	465,685	5,986,227	3,061,852	24,335,974

At 31 August 2014 there were outstanding contractual commitments for further capital expenditure of £44k (31 August 2013 £5k).

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**8 Fixed Assets - Buildings**

<b>School</b>	<b><u>Buildings</u></b>	<b><u>Asset Under</u></b>	<b><u>Sports and</u></b>	<b><u>Freehold</u></b>	<b><u>Total</u></b>
	<b><u>Improvements</u></b>	<b><u>Construction</u></b>	<b><u>Grounds</u></b>	<b><u>Property</u></b>	
<b>Cost</b>	<b>£</b>		<b>£</b>		<b>£</b>
Balance at 1 September 2013	19,600,288	465,685	7,660,117	3,899,937	31,626,027
Additions	263,603	75,213	-	-	338,816
<b>Balance at 31 August 2014</b>	<b>19,863,891</b>	<b>540,898</b>	<b>7,660,117</b>	<b>3,899,937</b>	<b>31,964,843</b>
<b>Depreciation</b>					
Balance at 1 September 2013	5,122,291	-	1,673,890	838,085	7,634,266
Charge for Year	394,948	-	153,202	77,999	626,149
<b>Balance at 31 August 2014</b>	<b>5,517,239</b>	<b>-</b>	<b>1,827,092</b>	<b>916,084</b>	<b>8,260,415</b>
<b>Net Book Value at 31 August 2014</b>	<b>14,346,652</b>	<b>540,898</b>	<b>5,833,025</b>	<b>2,983,853</b>	<b>23,704,428</b>
<b>Net Book Value at 31 August 2013</b>	<b>14,477,997</b>	<b>465,685</b>	<b>5,986,227</b>	<b>3,061,852</b>	<b>23,991,761</b>

At 31 August 2014 there were outstanding contractual commitments for further capital expenditure of £44k (31 August 2013 £5k).

**9 Fixed Assets - Vehicles and Equipment**

<b>Consolidated</b>	<b><u>Computer</u></b>	<b><u>Motor</u></b>	<b><u>Other</u></b>	<b><u>Total</u></b>
	<b><u>Equipment</u></b>	<b><u>Vehicles</u></b>	<b><u>Equipment</u></b>	
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 September 2013	1,175,884	49,592	1,227,997	2,453,473
Additions	265,919	18,500	246,038	530,457
Disposals	(302,861)	(13,990)	(231,101)	(547,952)
<b>Balance at 31 August 2014</b>	<b>1,138,942</b>	<b>54,102</b>	<b>1,242,934</b>	<b>2,435,978</b>
<b>Depreciation</b>				
Balance at 1 September 2013	764,015	49,592	790,662	1,604,269
Charge for year	203,896	4,625	103,126	311,647
Disposals	(302,861)	(13,990)	(231,101)	(547,952)
<b>Balance at 31 August 2014</b>	<b>665,050</b>	<b>40,227</b>	<b>662,687</b>	<b>1,367,964</b>
<b>Net Book Value at 31 August 2014</b>	<b>473,892</b>	<b>13,875</b>	<b>580,247</b>	<b>1,068,014</b>
<b>Net Book Value at 31 August 2013</b>	<b>411,869</b>	<b>-</b>	<b>437,335</b>	<b>849,204</b>

At 31 August 2014 there were outstanding contractual commitments for further capital expenditure of £4k (31 August 2013 £29k).

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

<b>9 Fixed Assets - Vehicles and Equipment</b>	<b>Computer</b>	<b>Motor</b>	<b>Other</b>	
<b>School</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
Balance at 1 September 2013	1,074,751	49,592	857,784	1,982,127
Additions	265,919	18,500	126,038	410,457
Disposals	(302,861)	(13,990)	-	(316,851)
<b>Balance at 31 August 2014</b>	<b>1,037,809</b>	<b>54,102</b>	<b>983,822</b>	<b>2,075,733</b>
<b>Depreciation</b>				
Balance at 1 September 2013	681,108	49,592	494,139	1,224,839
Charge for year	197,594	4,625	84,881	287,100
Disposals	(302,861)	(13,990)	-	(316,851)
<b>Balance at 31 August 2014</b>	<b>575,841</b>	<b>40,227</b>	<b>579,020</b>	<b>1,195,088</b>
<b>Net Book Value at 31 August 2014</b>	<b>461,968</b>	<b>13,875</b>	<b>404,802</b>	<b>880,645</b>
<b>Net Book Value at 31 August 2013</b>	<b>393,643</b>	<b>-</b>	<b>363,645</b>	<b>757,288</b>

At 31 August 2014 there were outstanding contractual commitments for further capital expenditure of £4k (31 August 2013 £29k).

<b>10 Investments</b>	<b>Shares</b>	<b>Restricted</b>	<b>Endowment</b>	
	<b>In Subsidiary</b>	<b>Funds</b>	<b>Fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Market Value at 1 September 2013	2	25,107	12,549,206	12,574,315
Investment	-	-	315,000	315,000
Transfer from BlackRock	-	-	13,380,432	13,380,432
Transfer to Investec	-	-	(13,380,432)	(13,380,432)
Purchases	-	-	4,445,107	4,445,107
Sales	-	-	(4,380,093)	(4,380,093)
Management Fees	-	-	(65,014)	(65,014)
Realised Gain	-	-	327,250	327,250
Unrealised Gain	-	-	708,769	708,769
<b>Market Value at 31 August 2014</b>	<b>2</b>	<b>25,107</b>	<b>13,900,225</b>	<b>13,925,334</b>
Bond Funds	-	18,761	-	18,761
UK Fixed Interest	-	-	2,333,328	2,333,328
UK Equities	-	6,346	7,420,711	7,427,057
Overseas Equities	-	-	2,584,285	2,584,285
Property	-	-	635,152	635,152
Infrastructure	-	-	320,669	320,669
Cash	-	-	606,080	606,080
Consolidated	-	25,107	13,900,225	13,925,332
Shares in Subsidiary	2	-	-	2
School	2	25,107	13,900,225	13,925,334
<b>Historical Cost at 31 August 2014</b>	<b>2</b>	<b>11,795</b>	<b>11,095,384</b>	<b>11,107,181</b>

Investment valuations where over 5% of the portfolio are as follows:-

	<b>£</b>
UK Fixed Interest - Blackrock Charinco	2,333,328
UK Equities - Blackrock Charishare	5,730,692

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**11 Debtors and Prepayments**

	<u>Consolidated</u>		<u>School</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Due within One Year				
Tuition Fees and Disbursements	88,286	216,623	88,286	216,623
Prepayments	54,172	114,302	36,569	88,672
Other Debtors	163,774	187,545	163,774	187,545
Amount due from Subsidiary Company	-	-	303,899	369,090
	<u>306,232</u>	<u>518,470</u>	<u>592,528</u>	<u>861,930</u>

**12 Creditors and Accruals**

	<u>Consolidated</u>		<u>School</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
Fee Deposits (Refundable in one year)	64,800	84,000	64,800	84,000
Other Taxation, Social Security and Pensions	395,689	380,558	395,689	380,558
Trade Creditors	467,180	304,438	349,344	304,438
Accruals	212,781	161,716	180,802	152,003
Fees Composition Scheme (Note 14)	179,547	132,936	179,547	132,936
Lease Purchase	-	9,037	-	-
Value Added Tax	82,005	76,508	16,000	14,000
Other Creditors	222,531	224,769	222,531	224,769
Fees Paid by Parents in Advance	435,710	282,309	435,710	282,309
Other Income received in Advance	58,852	52,009	-	
	<u>2,119,095</u>	<u>1,708,280</u>	<u>1,844,423</u>	<u>1,575,013</u>

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**13 Bank Loans**

	<u>Consolidated</u>		<u>School</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	£	£	£	£
<b>Due after more than one Year</b>				
After five years	5,580,333	6,344,601	5,580,333	6,344,601
Within two to five years	1,946,294	1,892,531	1,946,294	1,892,531
Within one to two years	675,584	664,517	675,584	664,517
Less: Prepaid arrangement fee	(100,980)	(110,160)	(100,980)	(110,160)
	<u>8,101,231</u>	<u>8,791,489</u>	<u>8,101,231</u>	<u>8,791,489</u>
<b>Due within one year</b>				
Bank Loan Repayments	697,701	691,220	697,701	691,220
	<u>697,701</u>	<u>691,220</u>	<u>697,701</u>	<u>691,220</u>
<b>Total Bank Borrowing</b>	<u>8,798,932</u>	<u>9,482,709</u>	<u>8,798,932</u>	<u>9,482,709</u>

Interest on the loan is charged at 1.9% above Bank of England Base Rate. Repayments commenced in October 2010 on a monthly basis over 15 years.

The bank (HSBC) hold a first legal mortgage over the freehold properties of 2 Dulwich Village, 152 East Dulwich Grove and the Green Dale Site. The bank also holds a letter of comfort from JAGS over the Blackrock investments.

JAMES ALLEN'S GIRLS' SCHOOL

NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)

**14 Advance Fee Payments - Fees Composition Scheme**

Parents may pay tuition fees in advance. The money may be returned subject to specific conditions on the receipt of one term's notice. Assuming all pupils currently in the scheme will remain in the school, advance fees will be applied as follows:-

	<u>2014</u>	<u>2013</u>
	£	£
Within 2 to 5 years	32,880	49,300
Within 1 to 2 years	113,797	113,544
	<hr/>	<hr/>
	146,677	162,844
Within 1 year (Note 12)	179,547	132,936
	<hr/>	<hr/>
	<u>326,224</u>	<u>295,780</u>

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

	<u>2014</u>	<u>2013</u>
	£	£
Balance at 1 September 2013	295,780	387,795
New Contracts	267,417	126,137
Refund	-	(16,673)
Discounts	7,968	2,152
	<hr/>	<hr/>
Amounts utilised in payments of fees	(244,942)	(203,631)
	<hr/>	<hr/>
Balance at 31 August 2014	<u>326,223</u>	<u>295,780</u>

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**15 Allocation of the Net Assets**

The net assets held for the various funds are as follows:-

	<u>Fixed</u>	<u>Investments</u>	<u>Net Current</u>	<u>Long term</u>	<u>Total</u>
	<u>Assets</u>		<u>Assets/</u>	<u>(Liabilities)</u>	
			<u>(Liabilities)</u>		
	£	£	£	£	£
Endowment Fund	9,083,946	13,900,225	-	-	22,984,171
Restricted Funds	540,898	25,107	412,073	-	978,078
Unrestricted Funds	14,960,229	2	(1,007,117)	(8,789,708)	5,163,406
School	24,585,073	13,925,334	(595,044)	(8,789,708)	29,125,655
Trading Subsidiary	494,519	(2)	(494,517)	-	-
Consolidated	25,079,592	13,925,332	(1,089,561)	(8,789,708)	29,125,655

**16 Funds**

Figures in respect of the following funds can be found on page 32.

**The Capital Investment Fund** represents several capital distributions received from The Dulwich Estate since 1995. Capital distributions are made at the discretion of The Dulwich Estate.

**The James Allen's Bursary Fund** has been set up to provide fees support to replace the Government Assisted Places Scheme which has now been phased out. A public appeal was launched on 28 August 1997. Fundraising for this purpose continues. In 2009/10 the freehold of a property was received as a legacy under the estate of the late Betty Judge, a former pupil. In accordance with her wishes, the property was sold and the net sale proceeds of £372k applied to the James Allen's Bursary Fund. The Betty Judge Bursary will now be awarded to a suitable candidate on an annual basis.

**The Pickup Fund** consists of assets transferred in 1976 from the original Pickup Trust, then a separately administered trust fund.

**The Development Fund** consists of donations received to provide funds for capital projects. The transfer to unrestricted funds in respect of the Development Fund represents use of the funds for capital projects in the year.

**Community Music Centre @ JAGS Fund** consists of donations received in respect of this project.

**The Annual Fund** represents general fund raising within the year, which is applied to various specific items benefiting the whole school and the James Allen's Bursary Fund.



**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

	<u>Balance</u> <u>1 September</u> <u>2013</u> £	<u>Incoming</u> <u>Resources</u> £	<u>Resources</u> <u>Expended</u> £	<u>Transfer</u> <u>Between</u> <u>Funds</u> £	<u>Investment</u> <u>Gains/(Losses)</u> £	<u>Balance</u> <u>31 August</u> <u>2014</u> £
<b>16a Endowment Funds, including expendible endowments - Movements in Year</b>						
Capital Investment Fund	19,862,595	-	-	-	816,901	20,679,496
James Allen's Bursary Fund	2,050,967	34,590	-	-	219,118	2,304,675
	<u>21,913,562</u>	<u>34,590</u>	<u>-</u>	<u>-</u>	<u>1,036,019</u>	<u>22,984,171</u>
<b>16b Restricted Funds - Movements in Year</b>						
Prizes Fund	-	542	-	(542)	-	-
Pickup Fund	-	1,231	-	(1,231)	-	-
James Allen's Bursary Fund	345,449	112,611	(128,608)	-	-	329,452
Development Fund	-	26,211	-	(26,211)	-	-
Community Music Centre	615,050	33,576	-	-	-	648,626
	<u>960,499</u>	<u>174,171</u>	<u>(128,608)</u>	<u>(27,984)</u>	<u>-</u>	<u>978,078</u>
<b>16c Designated and Unrestricted Funds - Movements in Year</b>						
Advance Fees	-	-	(7,968)	7,968	-	-
Annual Fund	-	4,335	-	(4,335)	-	-
	<u>-</u>	<u>4,335</u>	<u>(7,968)</u>	<u>3,633</u>	<u>-</u>	<u>-</u>
General Reserve	3,810,477	18,714,365	(17,385,787)	24,351	-	5,163,406
	<u>3,810,477</u>	<u>18,718,700</u>	<u>(17,393,755)</u>	<u>27,984</u>	<u>-</u>	<u>5,163,406</u>
<b>Totals</b>	<u>26,684,538</u>	<u>18,927,461</u>	<u>(17,522,363)</u>	<u>-</u>	<u>1,036,019</u>	<u>29,125,655</u>

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**17 Commitments under non-cancellable operating leases**

	<b><u>2014</u></b>		<b><u>2013</u></b>	
	<b><u>Land and</u></b>	<b><u>Other</u></b>	<b><u>Land and</u></b>	<b><u>Other</u></b>
	<b><u>Buildings</u></b>		<b><u>Buildings</u></b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Annual Commitments under Leases Expiring				
Within one year	-	-	-	-
Two to five years	-	87,614	-	70,594
	<u>-</u>	<u>87,614</u>	<u>-</u>	<u>70,594</u>
Over five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,120</u>

**18 Pension Schemes**

The School participates in three pension Schemes.

- 18a** The Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and liabilities of the Scheme which are attributable to the School.

The latest actuarial valuation of the Scheme by the Government Actuary issued in October 2006 relating to the period 1st April 2001 to 31st March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%.

Following the publication of the Lord Hutton report on public sector pensions and the consultation by HM Treasury on the discount rate used to set unfunded public service pension contributions, the next valuation of the Scheme by the Government Actuary due to be prepared as at 31 March 2008 continues to be on hold.

From 1st January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance the Scheme's assets and liabilities within 15 years as required by the regulations); a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and an employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

The pension cost charged in the accounts for this scheme was £866,275 (2013 - £833,044) which were the contributions due for the year.

The second and third schemes are for the School's support staff and are administered by The Pensions Trust. The contributions of the School are between 10% and 15% and the employees' contributions are between 5% and 7.5%. The schemes are defined contribution scheme. The pension cost charged in these accounts for these schemes was £177,774 (2013 - £139,109), being the contributions due for the year.

At 31 August 2014 there were outstanding pension contributions of £128,773 (2013 - £120,770) to the Teachers' Pension Agency and £20,571 (2013 - £16,051) to The Pensions Trust. Both these amounts were paid after the year end.

## JAMES ALLEN'S GIRLS' SCHOOL

### NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)

#### **18b Pension Obligations - Growth Plan**

The School participates in The Pensions Trust's Growth Plan, a multi-employer pension plan which is in most respects a money purchase arrangement but it has some guarantees. It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the plan, the accounting charge for the period under FRS17 represents the employer contributions payable.

The latest valuation of the plan revealed the overall buy-out funding of the plan was 78.1% as at 30 September 2013 compared with 74.2% as at September 2012 and that the total plan's deficit has decreased from £280m at September 2012 to £220m at 30 September 2013.

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the plan. The debt is due in the event of the employer ceasing to participate in the plan or the plan winding up. The debt for the plan as a whole is calculated by comparing the liabilities for the plan (calculated on a buyout basis i.e. the cost of secured benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the plan's pre October 2001 liability attributable to employment with the leaving employer compared to the total amount of the plan's pre October 2001 liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total plan liabilities, plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

#### **Deficit Contributions**

The 2011 valuation of the Plan revealed that the Plan was in deficit. Therefore, the Trustee following consultation with the Growth Plan Employer Consultative Group agreed a 'Recovery Plan' to eliminate the deficit.

The Recovery Plan currently requires employers with liabilities in Series 1 and 2 of the Plan, to pay additional contributions with effect from 1 April 2013. The Recovery Plan is intended to run for 10 years and the additional 'deficit contributions' payable will be increased by 3% each year in April.

Every three years the Trustee will undertake a full valuation of the Plan and make a thorough assessment of the funding position and undertake action as required. The additional contributions required from The Governors of James Allen's Girls' School for the year from 1 April 2014 are £55,413.46 per annum. These additional contributions will increase from 1 April 2015 to £57,075.87 per annum.

#### **Potential Employer Debt - Contingent Liability**

The School has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the plan based on the financial position of the plan as at 30 September 2013. As of this date the estimated employer debt for the charity was £1,076,748 (30 September 2012 £1,238,934) There is no current intention to leave the plan and trigger the contingent liability. In September 2014 the Growth Plan Actuary informed the Pensions Trust that the employer debt on withdrawal liability is estimated to have decreased by approximately 6% from 30 September 2013 to 30 June 2014, which would reduce the debt figure to £1,012,143.

#### **18c Pension Obligations - Flexible Retirement Plan**

The Flexible Retirement Plan is a multiple-employer pension plan administered by the Pensions Trust. It offers no guarantees and is a defined contribution/money purchase arrangement. As such it gives rise to no future pension obligations on the School.

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

<b>19 Net Cash Flow From Operating Activities</b>	<b><u>2014</u></b>	<b><u>2013</u></b>
	<b>£</b>	<b>£</b>
Surplus for the year	1,405,098	2,412,011
Investment Income	(530,550)	(415,684)
Interest Payable	254,961	275,896
Depreciation	311,647	307,137
Amortisation	663,212	657,335
Debtors Movement	212,238	(101,042)
Stock Movement	(391)	8,789
Creditors Movement	398,494	153,745
Advance Fees Discounts	7,968	2,152
	<u>2,722,677</u>	<u>3,300,339</u>

**20 Analysis of Changes in Net Debt**

	<b><u>At 1 September</u></b>	<b><u>Cashflow</u></b>	<b><u>At 31 August</u></b>
	<b><u>2013</u></b>		<b><u>2014</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in Hand - Increase in Cash	258,944	1,143,654	1,402,598
Debt due within 1 Year	(700,257)	2,556	(697,701)
Debt due after 1 Year	(8,791,489)	690,258	(8,101,231)
Total Net Debt	<u>(9,232,802)</u>	<u>1,836,468</u>	<u>(7,396,334)</u>

**21 Reconciliation of Net Cashflow to Movements in Net Debt**

Increase in Cash in the year (Note 20)	1,143,654	
Bank Loan Repaid	683,777	
Lease Purchase Repaid	9,037	
	<u>1,836,468</u>	
Net debt at 1 September 2013		(9,232,802)
Net debt at 31 August 2014		<u>(7,396,334)</u>

**JAMES ALLEN'S GIRLS' SCHOOL**

**NOTES TO THE ACCOUNTS - YEAR ENDED 31 AUGUST 2014 (Cont'd)**

**22 Fees Support and Awards**

	<u>Unrestricted</u>	<u>Designated</u>	<u>Restricted</u>	<u>2014</u>	<u>2013</u>
	<u>Funds</u>	<u>Funds</u>	<u>Funds</u>	<u>Total</u>	<u>Total</u>
	£		£	£	£
<b>Fee Reductions and Additional Expenses &amp; Costs</b>					
<b>Means Tested</b>					
James Allen's Bursaries	1,593,269	-	128,608	1,721,877	1,582,490
Scholarships	73,881	-	-	73,881	84,408
Staff Remission	56,740	-	-	56,740	86,348
	<u>1,723,890</u>	<u>-</u>	<u>128,608</u>	<u>1,852,498</u>	<u>1,753,246</u>
<b>Non Means Tested</b>					
Academic Scholarships	166,036	-	-	166,036	176,003
Staff Remission	129,701	-	-	129,701	138,134
<b>Awards</b>	2,175	-	-	2,175	4,675
	<u>2,021,802</u>	<u>-</u>	<u>128,608</u>	<u>2,150,410</u>	<u>2,072,058</u>
Fee Reduction	1,774,561	-	-	1,774,561	1,641,104
Additonal Expenses & Costs	247,241	-	128,608	375,849	430,954
	<u>2,021,802</u>	<u>-</u>	<u>128,608</u>	<u>2,150,410</u>	<u>2,072,058</u>

The number of pupils benefiting from scholarships, bursaries, staff remission and awards was 301 (2013: 324).

**Net Tuition Fees**

Gross Fees	15,376,000	-	-	15,376,000	15,083,838
Fee Reductions	(1,774,561)	-	-	(1,774,561)	(1,641,104)
Net Fees	<u>13,601,439</u>	<u>-</u>	<u>-</u>	<u>13,601,439</u>	<u>13,442,734</u>

**Support and Awards**

Additonal Expenses & Costs	247,241	-	128,608	375,849	430,954
Allocated Support Costs	45,135	-	-	45,135	45,107
	<u>292,376</u>	<u>-</u>	<u>128,608</u>	<u>420,984</u>	<u>476,061</u>

**23 Changes in presentation**

In order to be consistent with common sector practice and to provide more clarity over net fee income after scholarships and remissions the cost of these awards has been moved out of 'Resources Expended'. School Fees, as included under 'Income from charitable activities' on the face of the Statement of Financial Activities, is now stated net of these awards. The gross cost of these awards is disclosed in Note 22. There is no impact on the net incoming resources in either period.