

HIGHGATE

**HIGHGATE SCHOOL
GOVERNORS' ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

**Haysmacintyre LLP
Chartered Accountants
Registered Auditors**

HIGHGATE SCHOOL

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

CONTENTS	PAGE
Governors' Report	1-22
- Chairman's Foreword	1
- Main Report	2-22
Statement of Governors' Responsibilities	23
Independent Auditors' Report	24-25
Statement of Financial Activities	26
Balance sheet	27
Cash Flow Statement	28
Statement of Accounting Policies	29-33
Notes to the Accounts	34-48

HIGHGATE SCHOOL

CHAIRMAN'S FOREWORD

FOR THE YEAR ENDED 31 JULY 2020

CHAIRMAN'S FOREWORD

I am pleased to present Highgate School's report and accounts for the year ending 31 July 2020, following another year of excellent achievements, across many fronts as described more fully in this report.

Our continuing imperatives as a school – to keep pupils safe and happy and to ensure that they receive the best possible education – remain constant but I hope that this report will enable those interested in Highgate to understand something of the energy and self-reflective determination which characterise the School in consistently striving to improve how those imperatives are delivered. Additionally, significant commitment continues, and I hope is captured within this report, to strengthen what it means, as a school, to be a charity; I and my fellow governors strongly support the Head's determination to pursue greater impact still of Highgate as a charity.

Indeed, in September 2019, Highgate was selected as both the Independent School of the Year 2019 and the Independent School of the Year for Contribution to Social Mobility 2019 within the Independent Schools of the Year 2019 award scheme designed by *Independent School Parent* magazine. Additionally, in January 2020, Highgate was selected as both the Independent School of the Year 2020 and the Independent Senior School of the Year 2020 within the TES (Times Educational Supplement) award scheme. Highgate also won the Careers Programme of 2020-21 from the RateMyApprenticeship Awards. These accolades celebrate our extensive contribution to the educational growth and wellbeing of children across London and beyond.

Five of the twelve months for which this report covers were marked by the Coronavirus (COVID-19) pandemic. Following government guidance the School closed on March 20 and staff across all three schools acted very quickly to put in place remote learning provision and support for pupils and parents. "Highgate@Home" was fully operational from Easter through to the end of the Summer term and covered all aspects of school life from academic to pastoral care, sport and co-curricular activities. Around 50 key workers' children continued to be taught on the School premises during lockdown, via a rotation of teaching and support staff. We also welcomed back certain year groups throughout the summer term in line with government advice; more details are set out within this report.

Highgate achieves what it does only through the sterling work and commitment of all its staff; this has been severely tested during the pandemic and continues to be so at year-end. I take this opportunity to thank them for their enthusiasm and all that they do both to sustain and enhance the quality and standing of the School, and to spread the same standards of quality and excellence among our growing range of partner schools. I thank also my fellow governors for their support and unswerving commitment to the good of the School.



Bob Rothenberg MBE

HIGHGATE SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 JULY 2020

CHARITABLE OBJECTS

Our charitable objectives are set out in the Scheme of Governance as:

- the advancement of education by the provision of a school in or near Highgate, the provision of incidental or ancillary educational activities, and the undertaking of associated activities for the benefit of the public; and
- in so far as the Governors think fit (and so long as they, in their discretion, consider that the object stated in clause 1 is being properly provided for) the relief of the poor.

OBJECTIVES AS A SCHOOL 2019-20

The School was in its final year of its 2015-20 development plan that set objectives specifically for our charity and school as a whole, as well as, more specifically, for our three separate schools. Details of the 2020-25 development plan are set out under 'Future Objectives' on page 15.

The current ongoing priorities for our three schools for the last year of this five-year period were:

- To secure our national and local reputation for high-calibre, academically-minded teaching, with a focus on scholarship and independence for all, complimented by a dynamic co-curricular and employability programme and by experience of service and community, to grow the whole person;
- To enhance Highgate's impact, standing and reputation as an educational charity which transfers educational advantage to schools in need of support and sets a model for schooling as a portable example to others;
- To put sustainability at the heart of our School's development, generating a better quality of life, whilst improving local environmental conditions for our School community and local people;
- To increase Highgate's diversity and accessibility as a school;
- To increase Highgate's non-fee income base; and
- To equip Highgate with facilities appropriate for its educational mission and ethos, currently in drama, music, sport and sixth form teaching.

Within our Pre-Preparatory School (Nursery, Reception and Years 1-2), our academic priorities were:

- To use the learning environment as a tool to foster values of resilience, independence, curiosity, resourcefulness, reciprocity and reflection;
- To develop opportunities for learning through play and exploration in KS1; and
- To embed sustainability in the curriculum.

Within our Junior School (Years 3-6), our academic priorities were:

- To ensure that pupils believe there is no ceiling to what they can achieve by the time they leave Year 6, and adapting curriculum planning and teaching accordingly; and
- To ensure that all pupils, rather than just some, are engaged in high-quality, varied and well-monitored co-curricular activities so that they develop self-confidence and know themselves to be equally valued for their contribution and achievement.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

OBJECTIVES AS A SCHOOL 2019-20 (continued)

Within our Senior School (Years 7-13), our academic priorities were:

- To enable all pupils to view academic struggle as a normal and valuable aspect of their learning, with a focus on meaningful preparation/homework tasks that encourage pupils to reflect on both their learning and colleagues' specific feedback;
- To continue to make aspiration and ambition the guiding principles of Years 10 and 11 teaching, so that both years are academically stimulating, enriching and enjoyable, and are seen as preparation for more independent Sixth Form study; and
- To promote scholarship for all in the Sixth Form, with a focus on teaching pupils how to be independent and reflective.

The aims of our School remain: (1) To provide a place for learning and scholarship; (2) To be a reflective community; and (3) To be an exemplar for the healthy life.

These aims are underpinned by a guiding ethos with respect to all our activities.

ACTIVITIES OF THE SCHOOL

Academic

Pre-Preparatory School. Much work has been done to create communication and language friendly environments. Staff attended training in this area and then evaluated the impact of learning environments on language and communication skills. The impact of this initiative was the creation of areas that linked home and school, of areas that supported paired and group interaction and areas that facilitated expression of emotional and social needs. This work has also supported our efforts to develop children's understanding of our impact on the environment, as we have actively sought to use recycled and adapted materials in our learning environment.

Following the successful introduction of Maths Mastery in Key Stage One this approach to teaching maths was embedded in the Early Years in 2019-20. Key Stage One staff supported colleagues in the Early Years to do this. This has ensured that children experience a consistent approach to the teaching of core objectives across the school resulting in visibly fewer gaps in understanding.

The Helicopter Story project was introduced in Nursery and Reception resulting in children creating their own books of stories that they wrote throughout these two years. The success of this project, which had been initially introduced in Nursery, has been evident in the rich and expansive language that children are using in their literacy and beyond.

In January 2020, the last 3+ assessment took place; following this there have been positive preparations for the introduction of the 4+ assessment in January 2021.

During the COVID-19 lockdown, from March 2020, the Pre-Preparatory School children were taught through a combination of activities posted on Pluto and live zoom lessons. Participation in live lessons was high, and there was an energetic and positive approach to these lessons by both children and staff who relished the contact with each other. Both staff and children welcomed the phased return to school in the summer of 2020 (Nursery, Reception and Year 1 from 1 June 2020 and Year 2 from 22 June 2020) and quickly transitioned back into school life.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Academic (continued)

Junior School. The transition to five forms in all year groups has been made successfully and the School continues to present a buzzy, positive learning environment. New staff have settled in well and the appointment of an Assistant Principal Curriculum has allowed for an increased focus on developing the curriculum and how we meet the needs of all pupils. Academic standards remain high and work is ongoing to ensure that there is sufficient challenge at all levels with targeted provision for the most able. That said the central ethos of the academic side of Junior School life is to enable pupils to develop a love of learning with the knowledge and skills to progress successfully in all subject areas.

Much work has been done to develop a collaborative approach to curriculum development. Weekly Teaching and Learning Exchanges, as well as year group and subject planning sessions have allowed for a whole-school approach to the development of the curriculum within the school. Approaches to planning are now more standardised and focused on meeting the needs of all pupils. The teaching approach within each year is consistent and all pupils receive a high-quality experience during their time at school.

Year Group Time was successfully added to the curriculum which allowed for collaborative planning between subject coordinators, subject teachers, form tutors and Heads of House to enrich the existing programme of study. Various cross-curricular links enabled pupils' creativity and cooperation to flourish, in the context of core subjects, creative subjects, PSHEE and Citizenship initiatives, Pupil Personal Development activities, Sustainability and Eco matters, amongst other curriculum strands.

Visits and trips continued to enhance the curriculum with an increased focus on generating bespoke internal workshops whilst cutting down on unnecessary travel thus increasingly contributing to the whole-school sustainability mission. The success of these mini seminars and year group projects enabled an economic transition into a more refined and structured enrichment programme whilst giving pupils and staff the ownership of year group learning. This format is embedded for the academic year 2020-21, allowing for the development of target-specific curriculum extras, such as activities enhancing pupils' research and study skills, transferable skills, digital and media literacy as well as progression in areas of entrepreneurship, financial capability, etc.

During the COVID-19 lockdown, from March 2020, the Junior School was able to provide excellent online learning. From the start of the Summer Term all pupils were able to access daily interactive Zoom lessons in core subjects: English, Maths, Humanities and Science. In addition, online work was available in all other subject areas, with feedback and monitoring provided through Office 365 and Teams. All content was made available via Juno and Teams. The School's ability to develop and deliver effective online curriculum content is now in a very strong place.

Year 6 pupils returned to school from 1 June 2020 for the second half of the Summer Term with pupils in Years 3 to 5 joining them for the last two weeks of term (from 22 June 2020). We are confident that despite lockdown pupils within the Junior School were able to make very good academic progress over the course of the year.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Academic (continued)

Senior School. Highgate's results for 2020 were determined by Centre Assessed Grades due to the cancellation of public examinations. These were rigorously based on evidence and historic data. 84% of all grades in Year 11 were either 8 or 9 and 96% of all grades in Year 11 were either 7, 8 or 9. In Year 13, 56.5% of all grades were A* (or the Pre-U equivalent) and 86.8% of grades were either A* or A (or the Pre-U equivalent). Highgate's percentage increase in top grades is not out of step with equivalent schools. Despite this uplift being greater than we would have expected in ordinary time, both year groups' baseline data suggest they would have set internal records had the pupils been submitted for public examinations. These headline figures demonstrate – once again – that Highgate is firmly in the top tier of independent schools and is one of the very best mixed day schools in the country.

In university admissions, 87% of applicants were admitted to their first-choice university. 25 pupils took up places at Oxbridge, 10 pupils travelled to prestigious US or Canadian universities and the vast majority of UCAS applicants matriculated in a Russell Group university.

During the COVID-19 lockdown, from March 2020, Highgate provided a new learning programme for pupils called "Highgate@Home" utilising existing and new technologies to continue a sense of connection and collective study albeit virtually. Senior pupils benefitted from online lessons using Teams and Zoom. We designed an enriching new programme for Year 11 and Year 13 pupils who were no longer sitting exams which involved preparatory work for their next stages of study including A level and university subject exercises. Our social media channels and YouTube account also provided an outlet for drama, music and SpEx pupils to showcase their activities virtually to parents and pupils who were not able to gather together physically to watch performances and matches. From 15 June 2020 we were able to gradually re-introduce lessons in School for Year 10 and Year 12 pupils with socially distanced measures in place. Whilst the remaining Senior School year groups continued with "Highgate@Home" for the entire summer term, we were able to invite pupils in Years 7-10 to attend one-off form class meetings towards the end of term to meet their tutors or Heads of House.

Two new reading schemes were launched by the English Department in 2019-20 for the Senior School pupils – The Contemporary 21, a collection of titles chosen by pupils for pupils, and The Sports 21, a collection of sports themed novels and biographies, to encourage pupils to explore modern literary genres in addition to the Highgate 21 classical reading list.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Co-curricular

The co-curricular life of all three schools has continued to form an integral part of pupils' educational experience: pupils have engaged in a rich diet of sport, music, drama, clubs and societies, pupil voice committees and a host of other activities throughout the year. Almost every pupil, in every year group, has contributed to at least one co-curricular venture; nearly every member of teaching staff, and an increasing number of non-teaching staff, have also supported these activities. Even during "Highgate@Home", pupils in the Junior and Senior Schools had access to the 'Daily Dose' which included fun activities (such as den building), skills' based activities (including touch typing) and a daily dose of Sports and Exercise.

Pre-Preparatory School. The number of co-curricular clubs offered to pupils continues to expand, including Science Club, Football Coaching, Board Games, Lego Club, Singing Club, Philosophy Club, Mini Movers (after-school provision), Cycling Club, Chess Club (before-school provision), Scooting Club, Yoga Club and Gardening Club. Our teachers have also planned exciting and relevant visits and workshops, such as a trip to the Roald Dahl Museum for Year Two and Yogabugs for all year groups.

Community partnership work has continued to be a strength of the School. The Lesson Study project was expanded, and members of staff have led this initiative in two local primary Schools. Two new projects were introduced. "Singing Stories" a music and literacy class was launched for pre-schoolers in the local community. This was led by two Pre-Preparatory School staff members and participation in this project was high. Our Drama teacher began a collaboration project with a local primary school leading on raising attainment in this curricular area. Intergenerational projects continued to be a priority and existing links with our local care homes were expanded.

Taking on the challenge of becoming an Eco-School, the School achieved the Bronze Award and took great strides to achieving the Silver Award. These self-accredited stepping-stones are part of the Pre-Preparatory School working up to the Eco-Schools Green Flag level, an internationally recognized award for excellence in environmental action and learning. Pupils elected their own eco-counsellors at the start of the year, who created and implemented an action plan, focusing on reducing water usage, recycling and saving energy. Regular meetings have ensured continued focus throughout the year. Pupils also coordinated and participated in a very successful whole-school Eco-Learning Day.

Junior School. The co-curricular life of the Junior School provides a wide variety of activities and opportunities. Pupil roles of responsibility have been further enriched and enhanced. In the last academic year, school councils were adapted to provide an increased sense of importance and responsibility and class reps were elected in key areas, for example, general council, eco council and digital leadership. Pupil Voice in the first half of the academic year contributed to a number of new initiatives and ideas. Clubs and partnership were expanded, for example, through tree planting initiatives alongside St. Joseph's Primary School as well as drama, chorus and maths clubs which included pupils from partner schools. Nearly 100 Junior School pupils, with some of our partner school pupils, attended Young Voices at the O2 which was well received by both parents and children.

As we moved into lockdown, a wide range of clubs were provided virtually including Kahoot, Chorus, Sporting Activities, Mindfulness and STEM. These were provided both on the online learning platform and through live Zoom. To adapt to the challenge of being unable to stage performances or hold collaborative events, Year 6 and Year 3 produced recorded drama adaptations which were shared on our online learning platform. House Debating was conducted through Zoom and the House Music and End of Year Celebrations were filmed for all year groups; all pupils were included in these videos.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Co-curricular (continued)

Junior School (continued). In Sport, the Under 11s Girls Hockey Team were crowned Middlesex Champions, the U10 Football Team won the Westminster Prep School Tournament at Vincent Square, the U11 Girls Netball Team won the IAPS Plate, the U11 Co-Ed Hockey Team won their Plate competition at UCS and the Gymnastics Squad won the Co-Ed area gymnastics competition in Floor and Acro. Four pupils were given contracts with Premier League Football Teams – 2 at Watford and 2 at Spurs. One child is competing at a National Level in waterskiing and one child is excelling nationally in Athletics and Cross-Country competitions. All pupils in Years 3 to 6 participated in Co-Ed Football and Netball festivals involving local schools. In the latter half of the year all Sports activities and competitions were cancelled due to COVID-19.

Senior School. Pupils in Years 7 and 8 continued to take part in the compulsory termly carousel of Thursday Lunchtime Activities (TLA) with its choice of over 40 different activities. Basketball, debating and social entrepreneurship proved particularly popular. Lower School Clubs and Societies (such as the Junior Science, Politics and Robotics) were also well attended.

Pupils in Years 9 to 11 took part in the Tuesday After School Activities (TAA) which, like TLAs, had a choice of over 40 activities (including CCF and DofE). DofE was incredibly popular again with over 240 pupils taking part; unfortunately, completion rates have been lower, this year, due to the cancellation of the expeditions as a result of COVID-19 (although an impressive 18 pupils in Y13 completed their gold award). The academic and non-academic clubs and societies (of which there are more than 70) were well attended and staff even managed to keep some of them going digitally during “Highgate@Home”.

Volunteering activities grew in popularity. In Years 7 and 8, for example, over 106 pupils took part in the following community-based activities: acting as reading mentors/play leaders at our partner primary schools; learning sign language; and, writing letters for Amnesty International. Year 9 pupils continued this school-based work through the formal community days programme. The Year 10 Environment Day (an annual day of environmental action) was, unfortunately, postponed this year due to COVID-19. Pupils from Year 9 upwards took part in a volunteering activities as well such as the Saturday morning SHINE project; TreeHouse School (for autistic children) and local hospital visits. Our membership of North London Citizens, part of Citizens UK, provided pupils of all ages with the opportunity to learn about the importance of community organising. A branch of the Charity and Community Action committee engaged in an interesting Black Lives Matter project. Sixth Formers, many of whom are prefects, continued to take the lead in terms of running clubs, societies and House activities.

Educational Visits

Educational visits (both day and residential) ran as normal until the COVID-19 lockdown in March. A key focus this year was to explore the environmental sustainability of our trips in order to ensure that ‘the educational outcomes for pupils on school visits justify any associated environmental impacts.’ Following engagement with a number of stakeholders, whilst it was felt that we would continue to run an educational visits programme, we would seek to further reduce our carbon footprint moving forward by ensuring that proposed trips could be measured for their green credentials and justified within our environmental sustainability goals.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Co-curricular (continued)

Sports

In the Michaelmas and Lent terms, we put out 70 U12-19 teams in our main team sports (Football, Netball and Hockey) as well as teams in Cross-Country, Athletics, Swimming, Water Polo, Gymnastics, Fencing and Tennis. Pupils also competed for Highgate in Climbing, Rowing, Triathlon, Dance and Cricket this year. We won the following titles: National Water Polo Champions (U15 Girls); National Champions in Eton Fives (U14 Girls); County Champions in Hockey (U11 Girls); County Cup Finalists (U14 boys) and Semi-finalists (U12) (not played due to COVID-19) in Football; English Schools' Cross-Country Championships (four runners); and, County Netball Finalists (U19, U16, U14, U12, U13) (these finals were again not played due to COVID-19). Our High Performance Programme included over thirty athletes, from a variety of team and individual sports, who performed in or gained representative honours in the following: European Championships, Team GB trials and selection, Professional Dance Scholarships, Professional Football and Netball contracts, Academy placements and National Performance programmes, English Championships for combative sports including Karate and Muay Thai.

Music

Music continued to thrive this year: with over 680 pupils taking instrumental lessons, and more than 50 instrumental ensembles and choirs of different genres rehearsing each week (orchestral, chamber music, rock and pop, and jazz), music is integral to school life. Various concerts, platforms, gigs and recitals – from Camden Assembly and Pizza Express Jazz Club to Southwark Cathedral and Cadogan Hall – take place throughout the year. Although some of these performances were cancelled during 2019-20 due to COVID-19, pupils and staff created the following innovative virtual performances during this period: five choral pieces (one including former pupils (OCs)); two orchestral pieces; and two staff performances – all of which were shared on the School's social media channels (for pupils, parents, staff and the community). Many of our musicians and award holders regularly attend the junior departments at the Royal Academy, Royal College and Junior Trinity, and several are members of the National Children's Orchestra and National Youth Orchestra of Great Britain.

Drama

The Drama department had another busy year with nearly 200 pupils involved in a host of dramatic productions: the House Drama Competition; Tartuffe (by the French Department); Great Expectations (for pupils in Years 9 to 13); the Senior Musical Production of 'Guys and Dolls' at the Arts Depot, and the Classics Play, Theseus, (which was almost ready to perform before the COVID-19 lockdown). During "Highgate@Home", pupils in Years 7 and 8 produced their own short films of Roald Dahl's short stories. The Weekly TLA, TAA and Tech Clubs ran throughout the year (continuing on Zoom); much of the work, throughout the year, was showcased on the School's social media channels.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Co-curricular (continued)

Careers and Employability

Careers and employability is firmly rooted into the curriculum: we ran specialist carousels, in Year 9 and Year 12, and every year group (Years 9 to 13) had a timetabled Q&A with a panel of industry professionals on topics such as: 'How technology has changed my role' and 'Turning challenges into workplace opportunities'. The careers events were very well attended and survey feedback was extremely positive: 60 delegates and 340 pupils attended the Careers Fair; 32 pupils took part in the professional mentoring programme with LAE Tottenham; and, industry insight sessions ran monthly and included talks on Sports Journalism and the Computer Games Industry. 93% of pupils felt that the Year 10 "Highgate@Home" Employability Day was worthwhile (most notably in areas such as CV writing and watching clips from former pupils (OCs)); similarly, the Year 12 mock job interviews, that we ran via Zoom, were popular with those pupils who took part. Year 12 were trained in online video interviewing and this method was used to select this year's prefecture. Pupils continued to access the 1-2-1 sessions with our Careers and Employability specialist who also worked very closely with LAE Tottenham and other partner school.

Pastoral and Wellbeing

September 2019 saw the creation of a new position on the Senior Team, Deputy Head (Pastoral). This allowed the Principal Deputy Head to focus on other strategic aspects of the School and on staff wellbeing. The new Deputy Head (Pastoral) position focuses time and resource on wellbeing and safeguarding of pupils. Working closely with the Director of Wellbeing, who had been appointed in November of the previous academic year, the main areas of focus were the ongoing development of wellbeing and mental health policy and strategies for all members of the School community, including LAE Tottenham, and, wherever possible, our other partner schools. They also worked on strengthening the quality of the School's pastoral care by providing more expert support for staff dealing with complex and challenging pastoral matters.

The Director of Wellbeing has led presentation evenings for parents and carers covering such topics as 'Parenting your teenager', 'Pupil Perfectionism' and 'Coping during lockdown'. There have also been ongoing staff training sessions on issues such as supporting pupils who present with mental health issues and the impact of Adverse Childhood Experiences across children's development. A research partnership with UCL into the impact of social media and screen-time on young people has begun and the Director of Wellbeing's ongoing work with the training and supervising of staff working in mental health with children and young people inside and outside of Highgate School is ongoing.

During the Summer term the pastoral focus was on supporting pupils during the COVID-19 lockdown. One main aspect of this was to ensure the remote teaching was provided in a safe manner. A staff and pupil code of conduct was written, and an addendum added to the Safeguarding and Wellbeing Policy. Pupil pastoral support (including counselling) was also maintained remotely and those most vulnerable were risk assessed, offered additional support and checked-in with regularly. Pastoral aspects of the school curriculum were maintained remotely where possible including regular form times. Pupil engagement was monitored and was extremely impressive - the few concerns were followed up. As well as regular check-ins with pupils, there was a short wellbeing survey for pupils, which indicated to follow up some pupils. Towards the end of the summer term all pupils were invited back to school for at least one meeting that allowed pastoral time in groups.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Pastoral and Wellbeing (continued)

The Principal Deputy Head set up the School's Staff Wellbeing Steering Committee. The Committee includes the Human Resources Director and the Director of Wellbeing, and will play a key role in consultation and the development of more strategies to embed a proactive pastoral culture of care, compassion and expert support at Highgate and beyond. Staff have needed to adapt to lots of change in the context of COVID-19, remote learning and returning to School, and it has been important to help managers to reach out to support their staff. A very brief wellbeing survey was sent out to all staff during lockdown, which gave an overview of how staff were managing, as well as prompting staff to check in with the Director of Wellbeing or seek other support if they wished.

Sustainability

The academic year got off to a great start with Highgate hosting the inaugural London Schools' Environmental Sustainability Conference. Pupils from the Environment Committee were instrumental in organising this event and inviting in speakers and pupils from London state and Independent Schools. Aims of the conference included raising awareness of issues, sharing good practice and to build a schools' network. In December, the Junior School hosted its own Eco Conference at which pupils and teachers from six local schools were in attendance. In January, we published our Environmental Sustainability Initial Strategy Plan in which ten key areas have been targeted for improvement: Biodiversity and the Natural Environment; Buildings and Construction; Community Engagement; Energy and Carbon Management; Environmental Education; Food and Catering; Procurement and Third Parties; Travel and Transport; Waste Management; and Water Management. We have entered a period of audit, review and consultation with a view to specific staff setting tangible, data driven targets by January 2022.

The Executive and Consultative Committees held meetings throughout the year and progress has been made in key areas e.g. the full switch to green electricity tariffs in May. A 'Dining Hall Meat Questionnaire' was completed by more than 1000 people: 81% of respondents felt that we should reduce that amount of meat that we serve and 76% cited 'environmental concern' as the primary reason for a change to their diet. The Environmental and Eco Committees in the Junior School and Senior School have continued to grow in popularity and have been responsible for the continuation of many of the initiatives started last year e.g. air pollution monitoring, gardening clubs. During one of the international days of Strike Action, most year groups attended a presentation and Q&A on environmental issues. During "Highgate@Home", pupils even managed to produce a fantastic 'Green in Quarantine' magazine. Outdoor Education (OE) continued to be taught through the Sport and Exercise Carousels and the Outdoor Education classroom was very well used (particularly by the Pre-Preparatory School and Junior School). The refurbished swimming pool re-opened with a new pool cover to reduce energy use.

COVID-19 has provided the opportunity to re-think current sustainability practice (in terms of opportunities and threats); there were certainly advantages in terms of the increased use of digital platforms for online marking and filing and this, in turn, might lead us to reduce our dependence upon printing and photocopying moving forward.

Accessibility and Diversity

In June 2020, Highgate appointed the School's first Director of Inclusion who has overall strategic responsibility to make sure that Highgate is an inclusive school as possible, for every member of the community: pupils, teachers, staff members, parents and carers, and alumni.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF THE SCHOOL (continued)

Accessibility and Diversity (continued)

When we say “inclusive”, we mean that we want everyone who works or studies at Highgate to be in an environment that:

- welcomes them
- enables them to be themselves
- understands them
- encourages questioning, self-knowledge and self-expression
- helps them not just to manage, but to thrive: to discover and pursue their passions, and to develop as individuals and members of a community.

For pupils at Highgate, we want every child to have the opportunity to find out about themselves, in the broadest sense: what’s important to them? What makes them unique? What do we have in common? What can we learn from one another, and teach one another? Inclusion is about everyone – helping every member of our school community to feel a true sense of belonging.

To help embed inclusion at the heart of life at Highgate, an Inclusion Working Group has been established, comprising staff from across all three schools, both teaching and non-teaching, chaired by the Deputy Head (Pastoral) of the Senior School. This group will work on five main areas, identified as strategic priorities: becoming actively anti-racist, pupil welfare, staff training, curriculum review and staff recruitment. Listening exercises are underway with staff, pupils, parents and carers, and alumni, so that the School can understand and learn from their lived experiences.

Pupils, parents and carers, and alumni will also be invited to contribute to the work of the Inclusion Working Group; pupils have already designed anti-racist resources in the wake of the recent Black Lives Matter protests, and teachers are already helping to ensure a diversity of perspectives, stories and heritages are represented in the lessons we teach, the books that we read and the images we see around the school – from the Pre-Preparatory School right up to the Sixth Form.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

OBJECTIVES AS A CHARITY 2019-20

In 2019-20, our specific charitable objectives were:

- To continue our commitment to support, as the primary educational sponsor, the London Academy of Excellence, Tottenham, which provides an academically selective, well-governed sixth form free school in a local community where such opportunities are lacking;
- To enable teachers to give some of their time to local state schools in mutually beneficial ways, so that more children can have access to the excellent teaching and enriching activities that Highgate pupils enjoy every day and Highgate teachers develop professionally by teaching different pupil cohorts;
- To award a significant number of bursaries so that children for whom Highgate is the right school can access the excellent teaching and enriching activities that Highgate provides, when financially it would otherwise not be possible; and
- To grow strong and sustained links with schools, charities and similar organisations within our School's local community.

ACTIVITIES OF OUR CHARITY

Partnership Teaching

Much of Highgate's partnership work is run through our Chrysalis Programme. In 2008, Chrysalis started as a Year 12 summer school with twelve schools, mostly in Haringey. Chrysalis has now become a year-round programme involving over fifty schools. Our mission is "to inspire and support pupils of any age to pursue academic subjects at the next level, culminating in applications to Russell Group universities" through extension and robust academic provision.

Our Chrysalis network includes secondary schools from across the boroughs of Haringey, Camden, Ealing, Newham, Brent and Barnet. Chrysalis teaching, summer schools, conferences, masterclasses and enrichment days are staffed by Highgate teachers, with assistance on some projects by pupils, where appropriate. Projects range from intensive summer schools to mentoring and revision sessions. Further examples include: university admissions test preparation (including MAT, the Maths Aptitude Test and PAT, the Physics Aptitude Test); expert interview preparation and practice for applications to Cambridge, Oxford and medical schools; access to higher education and careers programmes; and access to Further Mathematics teaching. Chrysalis partnership teaching is delivered across all three schools, with projects also being conceptualised and run by members of teaching staff in the Junior and Pre-Preparatory Schools.

Combined, Chrysalis projects have had an impact on 3,500 children across London. During the academic year 2019-20, Highgate worked with almost 60 schools in London on over 100 events and 28 regular projects, of which there were over 1,000 occurrences. Over 80 teachers were involved in Chrysalis work across 18 departments, either by giving timetabled classes, delivering sessions in partner schools or running events for partner school pupils and staff at Highgate.

Our programme covers a range of academic subjects including art, biology, chemistry, classics, design technology and engineering, drama and theatre studies, English, French, mathematics, music and physics. We have five Chrysalis Fellows (recent graduates or Year 14 pupils who co-ordinate and deliver this array of projects), plus a full-time member of our Senior Team and a coordinator who are dedicated to this programme in the Senior School and members of the Senior Teams in the Junior and Pre-Preparatory Schools with part-time allocations to this important work.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF OUR CHARITY (continued)

Partnership Teaching (continued)

In addition, we share our facilities to borough and county sports events to support youth exercise in one of the most deprived parts of the country. We have formed close bonds with Haringey Sport Development leading to members of staff running teams for the local borough and pupils in Athletics, Water Polo, Aquathlon, Rowing, Tennis, Hockey and Weightlifting.

Highgate has a longstanding relationship with the Haringey, Camden and Islington virtual schools through the Chrysalis Accelerator Project for Looked After Children (LAC). This helps looked-after children in Years 6 to 12 raise aspirations and develop world of work skills, attainment and confidence, leading to successful applications to higher education and into work. The programme consists of a Saturday series with small group tutorials and workshops, led by Highgate teachers and inspiring mentors, as well as university visits and engaging enrichment days led by facilitators. The project emphasises a culture of high aspiration and self-confidence; it addresses gaps in educational attainment between looked-after children and their non-looked-after peers, to raise their awareness of higher education and prepare them for the world of work.

Highgate's partnership teaching was brought to bear with the establishment of the LAE Tottenham, east Haringey. Founded in September 2017, following the successful model of the LAE in Stratford (also one of Highgate's partner schools), LAE Tottenham has now helped two consecutive cohorts excel; in August 2019, 70% of all A level grades were A*-B, with 31% of grades being A*-A. These results put LAE Tottenham in the top 5% of state schools nationally and their value-added score put them in the top 15% for progress. Historically, students from the eastern wards of Haringey have had to leave the borough for rigorously academic post-16 provision and few have progressed to Russell Group universities. LAE Tottenham's success challenges these statistics, with over 90% of the pioneering first cohort progressing to Higher Education and over 50% attending Russell Group universities. In August 2020, LAE Tottenham's second cohort achieved further success, with 73% A*-B grades received, 9 students taking up places at Oxford or Cambridge, 13 students going on to study medicine, veterinary science or dentistry courses and over 67% to Russell Group universities.

In Winter 2020, we hosted a Careers Fair which was attended by over 60 employers and welcomed 187 pupils from 5 local partner schools as well as Highgate pupils. In addition, we employ a Careers Specialist who delivers sessions at LAE Tottenham to share our resources. Additionally, Highgate's interview practise programme for Year 12 is attended by over 200 partner school students from across London.

As a result of COVID-19, in Summer 2020, we launched a project called "Highgate is Here" to support families struggling financially as a result of COVID-19, with over £70,000 being raised by the Head's marathon to bridge the digital poverty gap and provide 350 laptops for Year 12 pupils in State Schools around London who need them for essential remote learning due to School closures.

In August 2020, Highgate and the LAE Tottenham hosted a unique Summer School 'catch up programme' for 82 Year 10 students from disadvantaged backgrounds who had been most affected by COVID-19 school closures; top up tutoring in core subjects, careers workshops and wellbeing support was given to support children transitioning into Year 11.

Highgate regularly evaluates the impact of its partnership teaching and feedback continues to indicate positive results. From the most recent feedback, the vast majority of pupils report an enjoyment of their participation with partnership teaching programmes (98%) and felt that they had discovered something new after having taken part in a Chrysalis project (96%). The vast majority of pupils felt that they were more likely to continue studying the subject of focus at the next level (90%). Pupils also hold a belief that the programme fosters a sense of academic

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF OUR CHARITY (continued)

Partnership Teaching (continued)

community with their peers in other schools (94%). We aim for partner school pupils to have continued engagement with Highgate throughout the various stages of their education.

Community Partnerships

Highgate takes pupils on a journey from participant to actively engaged or leading in a community activity, providing them with various taster experiences in Years 7, 8 and 9 at local schools, environmental and charitable organisations to help them identify an area that aligns with their own values. In Years 10 and 11, through the Duke of Edinburgh (DofE) scheme, pupils can engage on their own terms in community settings of their choice, and can join our pupil-led Charity and Community Action Group. Mentoring opportunities are available in Years 12 and 13, in association with the Chrysalis Partnership Teaching Scheme. In 2020 DoE pupils took part in a total of 4,719 hours of voluntary work.

Our Community Partnerships Director, a member of our Senior Team, meets regularly with key members of local institutions (schools, religious and cultural) to strengthen physical and social links between the local area and the different social and age groups in Highgate, and serves as a committee member on the Highgate Neighbourhood Forum. Examples of our links with the community include: our "Coffee and Computers" initiative, where Highgate pupils volunteer with people from the local community who are seeking support with technology; our volunteer reading scheme, where Highgate pupils offer their time to read with pupils at St Michael's Primary School and Highgate Primary School; our volunteer play leaders scheme, where Highgate pupils offer their time to devise and lead pupils at Whitehall Park School in Key Stage 2 team-based games; and Chrysalis TreeHouse Volunteering, where Highgate pupils volunteer to work with children with autism spectrum disorders, at TreeHouse School, to develop their social skills and abilities to interact with new pupils.

For the third year running, Highgate was one of the sponsors and part of the organising committee for the successful Highgate Festival, which saw over 50 local organisations running virtual musical events and seminars in June 2020, including a live music event called Highgate Fest, which raised funds for local community businesses Noah's Arc Children's Hospice, Shelter and "Highgate is Here".

Bursaries

During 2019-20, 94 Senior School pupils received means-tested fee remission, of whom 60 received 100% fee remission consistent with our policy to concentrate bursary awards amongst children whose parents or carers are able to pay very little or none of our fees. In addition, 20 pupils were given grants towards the cost of uniform and some £10,000 was allocated to enable bursary holders to participate in trips for which there is a charge. Through donations from Cholmeleians and parents, our School also assisted with £28,733 towards the costs of instrumental music lessons and additional expenses for bursary award holders.

The total value of our bursarial support was £1,885,302. Of this figure, our School funded £1,599,449. Nine of the 94 Senior School pupils receiving means-tested fee remission were supported by the Friends of Highgate School Society (a registered charity, no. 1056624) which contributed £126,336. In addition, the Friends supported a number of parents in the Summer Term whose financial circumstances were significantly impacted by COVID-19; this support totalled £159,517. This offer of support continues for parents who are still impacted.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ACTIVITIES OF OUR CHARITY (continued)

Bursaries (continued)

Our School invests considerable time, thought and resources in the advertising and awarding of our bursaries. In 2019-20, the bursary application process was altered so that, at the I1+ entry point, only families of pupils who were offered an interview completed a financial review. This enabled our Admissions Officer (Widening Access) to focus on outreach and open events in the Michaelmas Term, and parents felt that it was preferable to supply their financial documents at the interview stage. Of the 166 bursary applicants, 68 were visited at their homes, attended a meeting at our School or, in exceptional circumstances, undertook a financial assessment over the telephone. Feedback surveys confirm that the support provided in making such applications is very warmly appreciated by parents and carers.

A full statement of our policy on bursaries is available on our website; there is also further information available for parents and carers within the admissions section of our website.

Costs associated with charitable activities

In addition to the funding associated with bursaries, approximately £1,170,000 reflects the associated salary costs for the year (including pension and employer's national Insurance) of our Community Partnerships Director, Admissions Officer (Widening Access), the share of staffing costs associated with partnership teaching programme (including the 7.4 full-time equivalent seconded to LAET) and our Chrysalis Fellows. Around a further £44,000 was also spent during the year on the running costs of our work on partnership teaching and community partnerships, including transport, equipment, and visits to venues.

FUTURE OBJECTIVES

Towards the end of the 2019-20 academic year, the 2015-20 development plan underwent a full review following some robust self-evaluation. In September 2020, a new plan for the period 2020-25 was launched. This plan brings together our current school priorities, the measures we will take to raise standards further and the changes we are planning to bring about better outcomes for our pupils. The plan includes objectives which are unlikely to be achieved without deliberate or renewed, coordinated action. As such, many critical aspects of Highgate School always remain at the forefront of our thinking throughout – pupil welfare, for example – and are not therefore included unless they are the focus of change or particular development.

Highgate's whole-school objectives for the next five years include: income generation to support our charitable objectives; realising our charitable potential: learnings from the national emergency; inclusion; sustainability; improving and renewing facilities; making life easier and better; keeping balance in the curriculum; and, building capacity and change management.

In addition, an overview of the objectives for 2020-21 for specific schools are:

Pre-Preparatory School:

- To deliver a rigorous yet exploratory and child-led curriculum that ignites curiosity and motivate children to embark on a lifetime of learning;
- To continue to develop the Pre-Preparatory School's role in sustaining strong and valuable Community Partnerships; and
- To create optimum provision to ensure that staff development (CPD) raises pupil attainment.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FUTURE OBJECTIVES (continued)

Junior School:

- To extend opportunities for academic stretch and challenge, 'for taking risks without consequences', throughout the Junior School, keeping these flexible and accessible;
- To plan pastoral and academic support for the first pupils to win Junior School bursaries and for their families; and
- To optimise and communicate the opportunities of being a larger Junior School through choice.

Senior School:

- To reflect on and respond to "Highgate@Home";
- To promote and celebrate scholarship for all pupils and colleagues;
- To train and support staff to deliver effective, proactive pastoral care that targets the specific needs of individual pupils;
- To empower pupils by helping them to manage their own wellbeing; and
- To deepen community engagement by mobilising pupils to 're-think' the future and become positive agents of change in their school and beyond.

GOVERNANCE

Structure, governance and management

Our Governors (listed in the next section), who are our Charity's Trustees, are responsible for the governance of our School. Highgate is governed in accordance with our Scheme of Governance, dated 1 September 2005, as amended, and our Governors are members of the Body Corporate of "The Wardens and Governors of the possessions, revenues, and goods of the Free Grammar School of Sir Roger Cholmeley, Knight in Highgate".

Management is under the direction of our Head. Our full governing body meets at least six times a year. The following three sub-committees all meet at least three times a year:

- Finance, Audit and Risk Committee
- Estates Committee
- Nominations and Remuneration Committee

In addition, a Governors' International Schools' Working Group and two Executive Committees have been established (the Development and Charity Executive Committee and the Sustainability and Environmental Executive Committee). These two executive committees are generally attended by at least one nominated Governor.

The Nominations and Remuneration Committee is responsible for overseeing succession planning to ensure our governing body contains appropriate diversity, experience and skills, and making recommendations to Governors about recruitment processes for new Governors. Recent appointments have involved advertising roles within our School community prior to a sifting and interview process that saw five new Governors start as trustees during Michaelmas Term 2018. All five Governors received induction training during the year.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

GOVERNANCE (continued)

Structure, governance and management (continued)

In considering the pay and remuneration for the School's key management personnel, the Nominations and Remuneration Committee, in reaching recommendations for our governing body, consider the nature of the role and responsibilities, trends in pay and competitor salaries in the region available from publicly available sources.

Management

The day-to-day running of our School is delegated to our senior leadership team.

The Head, Adam Pettitt MA, exercises the functions of Chief Executive in leading and directing the Senior, Junior and Pre-Preparatory Schools, and reports to the governing body.

The day-to-day responsibility for management of the Junior School and Pre-Preparatory School is exercised by the respective Principals, who report to the Head. The present incumbents, for 2019-20, are Mark James MA (Principal of the Junior School) and Diane Hecht PDCE (Principal of the Pre-Preparatory School). Diane Hecht retired at the end of the 2019-20 academic year to be replaced by Katie Giles BA MA PGCE.

The Head is assisted in the Senior School by a Principal Deputy Head, Todd Lindsay MA, a Deputy Head (Academic), James Newton MSc, a Deputy Head (Pupils' Personal Development and Employability), Louise Shelley BA and a Deputy Head (Pastoral), Graeme Robertson MA CA together with eight Assistant Heads.

The Bursar, John Pheasant BSc LL Dip Barrister, is responsible for the management and leadership of support staff, and the financial administration of our School, and reports to the Head. The Bursar also acts as Secretary and Clerk to the governing body, in which role he reports directly to the Chairman.

The Head, Principals of the Junior and Pre-Preparatory Schools, Deputy Heads and Bursar make up the Strategy Management Committee.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

GOVERNORS WHO HELD OFFICE DURING THE YEAR ENDING 31 JULY 2020

	FA&R ¹	Estates ²	Nom&Rem ³
Mark Barber		*	
Jemima Coleman MA(Cantab) LLDip <i>Resigned as a Governor with effect from 24 September 2019</i>			*
Michael T Danson MA <i>Resigned as a Governor with effect from 23 June 2020</i>			
Brian Davidson MD FRCS MB ChB MD FRCPS(Glasg) FRCSE(Hon) Deputy Chairman	*	*	*
Joan Deslandes BEd(Hons) MA OBE			
Katherine Haynes BA(Hons) Med NPQH			
Sam King QC MA(Cantab)			*
Kate Little MB BS BSc FRCGP <i>Resigned as a Governor with effect from 17 March 2020</i>			
Saral Markanday MBChB MSc MRCGP DRCOG			
Paul E Marshall BSc MRICS <i>Resigned as a Governor with effect from 10 September 2019</i>	*	*	
Kumar Panja BA LLDip	*		
Aly Patel MA MBA Treasurer	*		
Robert M Rothenberg MBE BA FCA CTA MAE Chairman	*	*	*
Paul Rothwell MA		*	

¹ Member of the Finance, Audit & Risk Committee.

² Member of the Estates Committee.

³ Member of the Nominations and Remuneration Committee.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

ADDRESS OF SCHOOL	Highgate School North Road Highgate London N6 4AY
REGISTERED CHARITY NUMBER	312765
AUDITORS	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
SOLICITORS	Farrer & Co. LLP 66 Lincoln's Inn Fields London WC2A 3LH
BANKERS	Coutts & Co. St Martin's Branch 440 Strand London WC2R 0QS
INVESTMENT MANAGERS	Brewin Dolphin 12 Smithfield Street London EC1A 9BD

PUPIL NUMBERS AND FEES

Pupil numbers were 1,852 in September 2019. Our fees per term, in 2019-20, were £7,200 (Senior School), £6,600 (Junior School), £6,235 (Pre-Preparatory School, full-time: Reception to Year 2) and £3,110 (Pre-Preparatory School, part-time: Nursery). Our fees are inclusive of lunch, the use of books and stationery, and practically all other extras including future life membership of our Cholmeleian Society, field work, one residential trip in Years 7, 8 and 9, and day visits in curricular time.

FINANCES

As a result of Covid-19, the School transferred to remote learning for the last week of the Lent Term. Prior to the start of the Summer Term, Governors decided to apply a discount of 20% to the Summer Term fees to help families who were facing financial uncertainty or bearing additional costs in the new challenges which were evolving at that time as a result of Covid-19. This decision forewent circa £2,550,000 of fee income. A proportion of this discount was met by the costs which were not incurred as a result of remote learning during the term (such as catering, transport to sports fixtures, academic materials and trips). Total fee income in 2019-20 was, therefore, £34,330,667, a decrease from 2018-19 of £247,987.

The operating surplus was £1,903,142. This reflects a substantial increase in donations which totalled £2,796,245; this figure includes a movement of £1,140,273 of pledged donations (money promised but not received). More detail can be seen in Note 3b of the Annual Accounts. Without such generous support from our donors, the net income would have been nearer to break even or in deficit.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FINANCES (continued)

Governors also decided later in the Summer Term to not increase fees for the academic year 2020-21 from the 2019-20 level. Whilst this decision will have a significant impact on the School's longer-term development plan, particularly relating to the building projects, against that background it was felt strongly that in such difficult times, it was the right thing to do for the School community.

Against the current challenging background, Governors continue their strategy of deploying all net incoming resources to improve the charity and educational provision to ensure that Highgate keeps, and indeed works to develop further, its position as a successful place of learning and all-round educational excellence. In the current financial year, £4,630,369 was spent in respect of this investment programme, ensuring that the needs of succeeding generations of pupils are met, as well as the current. The significant investments were the comprehensive refurbishment of the swimming pool and the construction of the new Pre-Preparatory School dining hall.

Diversifying non-fee income

The School continues to offer paid-for courses at the Mallinson Sports Centre. Further work is being undertaken to explore other non-fee income opportunities including lettings, hirings and wider opportunities such as international school, remote learning and provision of a pre-school offering.

Fundraising approach and performance

We undertake fundraising activities within the school community via direct mail, telephone, community participation activities (such as our pupils' sponsored walk), fundraising events, solicitation of individuals, crowdfunding campaigns and email in line with the Fundraising Code of Practice set by the Fundraising Regulator. Fundraising is overseen by the School's Development Office by staff all of whom have detailed job descriptions associated with their roles and receive appropriate training to reinforce our fundraising ethics. We are registered with the Fundraising Regulator and adhere to the standards of the Fundraising Code of Practice, and act in accordance with the terms listed in the Charity Governance Code. Fundraising activities are open, fair, honest and respectful; the School does not fundraise from constituents who are considered vulnerable or in circumstances which mean an individual is unable to make an informed decision. No formal complaints were received about fundraising activity in the year. Trustees receive regular reports regarding fundraising activity and performance.

The year saw donations towards bursaries, partnerships, general funds and capital projects, taking the total received and pledges from parents and Cholmeleians in the year 2019-20 to £2,796,245 (an increase from 2018-19 of £1,702,264).

Buildings

Governors remain committed to continuing to invest substantially in upgrading and, where necessary, renewing current academic facilities, to ensure that our physical estate meets all emerging requirements to a high standard. Our current priorities include improving drama, music, sports and sixth form facilities, plus renewing services to, and reconfiguring, our Senior School's science laboratories. Additionally, in a drive to maintain our first-rate facilities, our School continues to preserve its historic buildings to improve the look of our School for the benefit of staff, pupils and the local community. Consequently work will continue, as part of our extensive capital development programme, in upgrading teaching facilities and repairing the fabric of our historic buildings. In preparation for a number of planning applications that are being developed, the School worked in-year closely with the London Borough of Haringey to develop a Supplementary Planning Document (SPD) for the School's estate.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FINANCES (continued)

Buildings (continued)

Before the SPD can be adopted, the Council consult with the local community; the intention had been to start this consultation process in March 2020 but this was paused due to the Covid-19 situation at that time. Consultation will take place from October to December 2020, post-year-end.

In preparation to contribute towards the funding of this programme, the School entered into a private placement in July 2019 for £60,000,000 details of which are set out within Note 11a to the Accounts.

Specific investment powers, policy and performance

The governing scheme affords our Governors powers in line with those generally applicable to charitable foundations. Any investments acquired by our Governors, during the year ending 31 July 2020, have been acquired in pursuance of those powers and within the Statement of Investment Policy that our School has with our Investment Managers, Brewin Dolphin.

Reserves Policy

In common with other independent schools, Highgate does not have free reserves readily available to spend on any of the charity's purposes. As indicated on our balance sheet, at the year end, our School had total funds amounting to £79,611,357. This was split between endowment funds of £29,017,680, of which £27,789,363 related to the net book value of the original endowed property of our School (principally constituting our main island site in our Senior School), restricted funds of £3,769,357, namely donations (including pledges) received for specific purposes, and, the remainder, unrestricted funds of £46,824,320. The unrestricted funds reflect the residual investment that our School has made over the years in the fabric of our building and facilities: it is not readily available for spending. The Governors therefore monitor the day-to-day operations of Highgate through management of good budgeting procedures and cash-flow, to ensure that it can meet the ongoing needs of the operations of the School and continue to invest in the fabric of the estate and educational provision. Governors are satisfied that we have sufficient available cash and facilities to deliver our strategic objectives.

Risk Assessment

Processes are in place to identify risks under the headings of Aims/Objects, Law and Regulation, Governance and Management, Academic, External Factors, Operational, Human Resources, Environmental, Technological and Financial Risks, and the necessary mitigations, and assessments and controls established to manage these are kept under regular review by our senior management and our Governors' Finance, Audit and Risk Committee.

The main risks that have been identified, and the plans to manage those risks, are:

- Political challenge to Highgate's charitable status. This risk is managed by continually developing our nationally-recognised educational partnerships to become a blueprint for change in education. Being a charity is at the heart of who Highgate is.
- Challenges to the financial viability of independent schools by increases to costs largely outside the control of schools such as VAT or pension costs. This risk is managed by taking opportunities to engage contacts in main political parties and other key individuals about the true impact of putting VAT on school fees and introducing significant further pension increases.
- Ageing facilities inadequate for modern day teaching and learning. This risk is managed by the capital programme which aims to address the School's academic requirements by focusing on buildings in significant need of repairs and renewals.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

FINANCES (continued)

Risk Assessment (continued)

- Reputation of the education and well-being of our pupils and the activities of our School. This risk is managed through relevant policies which are embedded within our School through meetings, committees, staff and pupil awareness, and having nominated senior management responsible for specific policies. Policies include: safeguarding policies, staff recruitment policies, and health and safety policies. Other areas of focus include security and personal safety of staff, pupils and visitors. In addition, our School uses professional consultants and advisers to help strengthen compliance within our School.
- Affordability of school fees/adverse change to economy. This risk is managed by reviewing carefully annual fee increases, looking at possible aspects of the educational and charitable offering that could be reduced if absolutely necessary, controlling costs the impact of which would have a minimal educational impact and looking to diversify income by identifying meaningful non-fee income opportunities to reduce the current significant reliance on fee income.
- Income and a cash-flow to deliver the educational offering for the present and continue to invest in our School and Charity, including our fabric, for the long-term future. This risk is managed by maintaining pupil numbers, identifying and resolving any trends associated with any leavers, looking at non-fee income initiatives, including fundraising and borrowing, and ensuring active cash-flow management.

A particular risk that arose during the financial year, which is ongoing at year-end, relates to the management of Covid-19, both in terms of minimising its impact on the education of our pupils and ensuring the health, safety and wellbeing of our staff and pupils. Significant development of the School's ability to provide blended learning (provision to some pupils in classrooms and some at home self-isolating) or to teach completely remotely to an entire class or year group, has been made, some details of which have been provided throughout this Annual Report. In addition, a robust risk assessment and set of preventative measures and controls was established as year groups returned in the Summer Term; this process was overseen by a core team of senior and middle managers, engaged staff and parents and was overseen by Governors, including a group of three who scrutinised the risk assessments and visited the School prior to groups of pupils returning.

Governors have been provided with assurance that risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Fixed assets

The fixed assets are as stated in the balance sheet and further detailed in the notes to the financial statements. They are considered to be available and adequate to fulfil the obligations of our School.

HIGHGATE SCHOOL

GOVERNORS' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2020

Statement of Governors' Responsibilities

Governors have prepared financial statements for the financial year that give a true and fair view of the state of affairs of our School and of the surplus of the charity for that period. In preparing these financial statements, Governors have:

- adopted suitable accounting policies and applied them consistently;
- observed the methods and principles in the Charities SORP;
- made judgements and estimates that were reasonable and prudent;
- stated that applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis.

Governors have kept proper accounting records which disclose, with reasonable accuracy at any time, that the financial statements comply with trust law. Governors have safeguarded the assets of the charity and taken reasonable steps for the prevention and detection of fraud and other irregularities.

Governors confirm that the accounts comply with the requirements of the Charities Act 2006 as amended by the Charities Act 2011, the Governing Scheme, and the Charities SORP 2015.

Governors confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

on behalf of the Governors



Chairman of the Governing Body and Chairman of Trustees

24 November 2020

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF

HIGHGATE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HIGHGATE SCHOOL

Opinion

We have audited the financial statements of Highgate School for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2020 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 23), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF

HIGHGATE SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HIGHGATE SCHOOL (continued)

Conclusions relating to going concern

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

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

Other information

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

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

Matters on which we are required to report by exception

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

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

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP.

Haysmacintyre LLP
Statutory Auditors

14 December 2020

10 Queen Street Place
London
EC4R 1AG

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

HIGHGATE SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

	Notes	General Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
INCOME FROM:							
Charitable activities							
School fees receivable	1	34,330,667	-	-	-	34,330,667	34,578,654
Other educational income	2	240,105	-	-	-	240,105	359,737
Ancillary trading income	2	853,195	-	-	-	853,195	1,878,155
Investments							
Bank and other interest		214,914	-	-	148	215,062	28,447
Investment income		6,098	-	13,515	11,491	31,104	25,423
Voluntary sources							
Donations	3	124,456	-	2,671,789	-	2,796,245	1,093,981
Total Income		<u>35,769,435</u>	<u>-</u>	<u>2,685,304</u>	<u>11,639</u>	<u>38,466,378</u>	<u>37,964,397</u>
EXPENDITURE ON:							
Raising funds							
Finance costs		1,602,419	-	-	-	1,602,419	1,010,852
Charitable activities							
School operating costs		34,441,866	-	518,951	-	34,960,817	34,840,420
Total expenditure	4	<u>36,044,285</u>	<u>-</u>	<u>518,951</u>	<u>-</u>	<u>36,563,236</u>	<u>35,851,272</u>
NET INCOME		(274,850)	-	2,166,353	11,639	1,903,142	2,113,125
Gains on investment assets		-	-	-	(53,886)	(53,886)	59,471
Transfers between funds	14	274,850	(274,850)	-	-	-	-
Net movement in funds		<u>-</u>	<u>(274,850)</u>	<u>2,166,353</u>	<u>(42,247)</u>	<u>1,849,256</u>	<u>2,172,596</u>
Balances brought forward at 1 August 2019		<u>-</u>	<u>47,099,170</u>	<u>1,603,004</u>	<u>29,059,927</u>	<u>77,762,101</u>	<u>75,589,505</u>
Balances carried forward at 31 July 2020		<u>-</u>	<u>£46,824,320</u>	<u>£3,769,357</u>	<u>£29,017,680</u>	<u>£79,611,357</u>	<u>£77,762,101</u>

All amounts derive from continuing activities.

All gains and losses recognised in the year are included in the statement of financial activities.

Full comparative figures for the year ended 31 July 2019 are shown in note 18.

The accompanying notes are an integral part of this statement.

HIGHGATE SCHOOL**BALANCE SHEET****AS AT 31 JULY 2020**

	Notes	2020		2019	
		£	£	£	£
FIXED ASSETS					
Tangible assets	6		94,694,594		92,757,981
Investments	7		1,392,716		1,421,867
			<u>96,087,310</u>		<u>94,179,848</u>
CURRENT ASSETS					
Stock	8	42,301		45,484	
Debtors	9	3,390,163		2,139,172	
Cash at bank and in hand	10	54,288,176		15,703,679	
			<u>57,720,640</u>	<u>17,888,335</u>	
CURRENT LIABILITIES					
Creditors - due within one year	11	(8,630,207)		(8,846,168)	
NET CURRENT ASSETS					
			<u>49,090,433</u>	<u>9,042,167</u>	
TOTAL ASSETS LESS CURRENT LIABILITIES					
			145,177,743	103,222,015	
Creditors – due after one year	11		(65,566,386)		(25,459,914)
TOTAL NET ASSETS					
			<u>£79,611,357</u>	<u>£77,762,101</u>	
Represented by:					
ENDOWMENT FUNDS					
	12		29,017,680		29,059,927
RESTRICTED FUNDS					
	13		3,769,357		1,603,004
UNRESTRICTED FUNDS					
Designated and general funds	14		46,824,320		47,099,170
TOTAL FUNDS					
			<u>£79,611,357</u>	<u>£77,762,101</u>	

The financial statements were approved and authorised for issue by the Governing Body on 24 November 2020 and were signed below on its behalf by:



RM ROTHENBERG MBE BA FCA CTA MAE

Chairman



A PATEL MA MBA

Treasurer

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

HIGHGATE SCHOOL
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	2020		2019	
	£	£	£	£
RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES				
Net income	1,849,256		2,172,596	
Loss/(Gains) on investments	53,886		(59,471)	
Depreciation	2,711,755		2,653,320	
Interest paid	1,602,419		1,010,852	
Interest and dividends receivable	(246,166)		(53,870)	
Decrease/(Increase) in stock	3,183		12,941	
(Increase) in debtors	(1,250,991)		(599,221)	
(Decrease)/Increase in creditors	(109,489)		2,498,485	
Net cash flow from operating activities		4,613,853		7,635,632
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds on sale of fixed assets	-		-	
Purchase of fixed assets	(4,648,368)		(3,927,138)	
Proceeds from sale of investments	135,549		173,884	
Purchase of investments	(160,708)		(197,356)	
Decrease in investment cash	424		3,778	
Interest and dividends received	246,166		53,870	
Net cash used in investing activities		(4,426,937)		(3,892,962)
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest paid	(1,602,419)		(1,010,852)	
Cash inflows from new borrowing	40,000,000		5,000,000	
Net cash used in investing activities		38,397,581		3,989,148
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD				
		£38,584,497		£7,731,818
Cash and cash equivalents at beginning of period		15,703,679		7,971,861
Cash and cash equivalents at end of reporting period		54,288,176		15,703,679
		£38,584,497		£7,731,818

ANALYSIS OF CHANGES IN NET DEBT

	At 1 August 2019	Cashflows	At 31 July 2020
	£	£	£
Cash and cash equivalents			
Cash	15,703,679	38,584,497	54,288,176
Borrowings			
Debt due within one year	-	-	-
Debt due after one year	(20,000,000)	(40,000,000)	(60,000,000)
	(£4,296,321)	(£1,415,503)	(£5,711,824)

ACCOUNTING POLICIES

General Information

Statement of Compliance

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

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

Having reviewed the funding facilities available to the School together with the expected ongoing demand for places and the School's future projected cash flows, the Governors have a reasonable expectation that the School has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability.

The effect of Covid-19 has also been assessed by the Governors and, by reviewing the charity's ongoing activities, its forecasts and risks, the organisation remains financially viable. With regard to the next 12 months, the most significant areas to be monitored closely by the executive include the continuance of education in School, blended and remote, and the health, safety and wellbeing of our staff and pupils. Governors will continue to monitor these closely.

Notwithstanding the challenges associated with Covid-19, Governors' monitoring of performance and wellbeing indicate that overall there has been no significant impact on our activities that cannot be managed. An updated financial forecast has been prepared to assess the impact of Covid-19 and Governors have a reasonable expectation that the School has adequate resources to continue for the foreseeable future. As a result of the private placement, any significant change is likely to impact on the pace of delivering the capital programme. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

The School is a Public Benefit Entity registered as a charity in England and Wales (charity number: 312765).

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the trustees, the depreciation rates charged are the Governors best estimate of useful economic life for the asset, and changes could result in a material adjustment of the carrying amount in subsequent years.

ACCOUNTING POLICIES (continued)

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to School's financial statements.

Fees and similar earned income

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

Investment income

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

Donations, legacies, grants and other voluntary income

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. This particularly impacts on accounting for pledges where the School is notified of income during a financial year but the income will not actually be received until a later accounting year. Such income is recognised upon confirmation of entitlement where it is probable that the income will ultimately be received (not on receipt). The detail of pledges 'previously recognised' (pledges recognised in earlier years' Accounts that had not been received by 31 July 2019) and 'pledges carried forward' (a combination of (a) pledges 'previously recognised' that had still not been received by 31 July 2020, (b) new pledges made but not received during the period 1 August 2019 to 31 July 2020 and (c) any changes to pledges 'previously recognised' where it is no longer probable that the income will ultimately be received) is set out in Note 3b.

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

Expenditure

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

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the School's Governors, and all the costs of complying with constitutional and statutory requirements, such as costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible assets are included at their net book value at the year-end.

Expenditure on the acquisition, construction or enhancement of land and buildings of a capital nature together with vehicles, furniture, machinery, ICT infrastructure and other equipment of a capital nature are capitalised and carried in the balance sheet at historical cost.

Other expenditure on equipment incurred in the normal day-to-day running of the School is charged to the Statement of Financial Activities as incurred. Individual items costing less than £1,000 are normally written off as an expense in acquisition.

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

Freehold Property	- 2% on revalued amounts
Furniture and Equipment:	
- Furniture, Equipment and IT	- 2-10% or 20% on cost
- Motor Vehicles	- 20% on cost

Investments

Listed investments are valued at market value as at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the "ownership" of the underlying assets.

Stock

Stock represents goods for resale and is valued at the lower of cost and net realisable value.

Fund accounting

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

Funds

The School maintains four types of fund:

- (a) Endowment – where the capital is held in perpetuity and income generated used for charitable purposes expenditure;
- (b) Restricted – where the purposes for which funds may be used have been restricted by donors;
- (c) Designated – where the funds are unrestricted but where the Trustees have designated them for a specific purpose;
- (d) General – where the funds are unrestricted and not designated.

ACCOUNTING POLICIES (continued)

Endowment Funds

The original land and buildings of the School are subject to a permanent endowment. The Endowment Fund reflects the rebased cost of assets principally constituting the main Island Site, following engagement with the Charity Commission, as at 31 July 2016.

The Sinking Fund represents recoument of the proceeds on disposal of endowment property.

The Prize Fund consists of a number of individual prize funds set up by donors for the provision of prizes.

Restricted Funds

The Library Fund consists of three funds named (i) Burdett-Coutts, (ii) Furnival Jones and (iii) J F Newsome Charitable Trust, and exists to provide books and equipment for the School library.

Designated Funds

The building reserve represents funds generated from appeals and transfers from unrestricted funds. The reserve reflects that part of the School's unrestricted funds which relates to property.

Pension costs

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

- (a) The Teachers' Pension Scheme - This scheme is a multi-employer pension scheme. It is not possible to identify the School's share of the underlying assets and liabilities of the Teachers' Pension Scheme on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme. The School's contributions, which are in accordance with the recommendations of the Government Actuary, are charged in the period in which the salaries to which they relate are payable;
- (b) The ISPEN is a multi-employer defined benefit scheme. The assets of the scheme are held independently from those of Highgate School in an independently administered fund. The costs recognised during the year relate to the movement in the year end liability;
- (c) Other pension costs are charged in the accounts for defined contribution schemes represent the contributions payable by the School during the year.

ACCOUNTING POLICIES (continued)

Operating leases

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

Financial instruments

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

Creditors and provisions

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

Debtors

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

Cash at bank and in hand

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

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2020

1. FEES

	2020 £	2019 £
Fees receivable consist of:		
Tuition fees	35,821,913	36,091,265
Music fees	522,553	490,402
	<u>36,344,466</u>	<u>36,581,667</u>
Less: Allowances	(350,765)	(340,866)
Less: Bursaries funded from unrestricted funds	(1,326,924)	(1,136,232)
Less: Bursaries funded from restricted funds	(272,525)	(448,821)
	<u>(1,599,449)</u>	<u>(1,585,053)</u>
Less: Scholarships	(63,585)	(77,094)
	<u>£34,330,667</u>	<u>£34,578,654</u>

Scholarships, bursaries and other awards were paid to 137 pupils (2019: 143). Within this, means tested bursaries totalling £1,599,449 were paid to 85 pupils (2019: £1,585,053 to 81 pupils).

2. OTHER INCOME

	2020 £	2019 £
Other educational charitable income		
Administration charges	-	182
Entrance & registration fees	195,035	221,234
Lettings	45,070	138,321
	<u>240,105</u>	<u>359,737</u>
Other ancillary activities		
Mallinson Sports Centre	167,882	335,249
Other income	846	4,175
Rents	593,468	669,133
Educational visits	61,624	820,190
6th Form and Tuck Shop income	29,375	49,408
	<u>853,195</u>	<u>1,878,155</u>
	<u>£1,093,300</u>	<u>£2,237,892</u>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

3a. DONATIONS AND LEGACIES (2020)

	Unrestricted £	Restricted £	2020 £
Restricted Funds	-	2,671,789	2,671,789
Unrestricted donations	124,456	-	124,456
	<u>124,456</u>	<u>2,671,789</u>	<u>2,796,245</u>

DONATIONS AND LEGACIES (PRIOR YEAR)

	Unrestricted £	Restricted £	2019 £
Restricted Funds	-	678,198	678,198
Unrestricted donations	415,783	-	415,783
	<u>£415,783</u>	<u>£678,198</u>	<u>£1,093,981</u>

3b. BREAKDOWN OF DONATIONS (see explanatory comments within Accounting Policies)

	2020 £
Pledges previously recognised	(1,288,965)
Donations received in-year	1,655,922
Pledges carried forward	<u>2,429,288</u>
Donations income	<u>2,796,245</u>

4a. ANALYSIS OF EXPENDITURE

	2020 £	2019 £
<u>Net income is stated after charging:</u>		
Auditors' remuneration – audit fees	33,120	30,000
Auditors' remuneration – other services	-	1,560
Depreciation	<u>2,711,755</u>	<u>2,653,320</u>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

4b.

	Average Staff Numbers 2020	Staff Costs	Depreciation	Other	2020 Total
<u>Charitable Activity – School</u>					
<u>Operating Costs</u>					
Teaching costs	367	20,986,143	-	1,630,792	22,616,935
Welfare	55	1,146,226	-	680,848	1,827,074
Premises	37	1,465,383	2,711,755	2,396,061	6,573,199
Grants, awards and prizes		-	-	11,841	11,841
Support costs and governance	72	2,415,265	-	1,439,666	3,854,931
Finance costs		-	-	1,602,419	1,602,419
Mallinson Sports Centre		-	-	76,837	76,837
	<u>531</u>	<u>26,013,017</u>	<u>2,711,755</u>	<u>7,838,464</u>	<u>£36,563,236</u>

PRIOR YEAR

	Average Staff Numbers 2019	Staff Costs	Depreciation	Other	2019 Total
<u>Charitable Activity – School</u>					
<u>Operating Costs</u>					
Teaching costs	357	19,048,990	-	3,161,617	22,210,607
Welfare	53	1,031,385	-	988,844	2,020,229
Premises	39	1,450,384	2,653,320	2,368,538	6,472,242
Grants, awards and prizes		-	-	19,663	19,663
Support costs and governance	68	2,297,941	-	1,700,559	3,998,500
Finance costs		-	-	1,010,852	1,010,852
Mallinson Sports Centre		-	-	119,179	119,179
	<u>517</u>	<u>£23,828,700</u>	<u>£2,653,320</u>	<u>£9,369,252</u>	<u>£35,851,272</u>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

4c. GOVERNANCE INCLUDED IN SUPPORT COSTS

	2020	2019
	£	£
Remuneration paid to auditors		
- audit services	33,120	30,000
- other services	-	1,560
Governors' reimbursement to Governors' expenses	215	1,183
	<u>£33,335</u>	<u>£32,743</u>

The support costs relate to the charitable activity of running the School.

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

5. STAFF COSTS	2020	2019
	No.	No.
The average number employed by the company within each category of persons was:		
Teaching staff	367	357
Support staff	164	160
	<u>531</u>	<u>517</u>
	£	£
The costs incurred in respect of these employees were:		
Wages and salaries	19,933,824	19,103,475
Social Security costs	2,133,655	2,018,817
Pension costs	3,915,538	2,706,408
Termination payments	30,000	-
	<u>£26,013,017</u>	<u>£23,828,700</u>
Aggregate employee benefits of 8 (7 – 2019) key management personnel	<u>£1,634,541</u>	<u>£1,528,301</u>
	2020	2019
	No.	No.
The number of higher paid employees was:		
Taxable emoluments band:		
£60,000 - £70,000	52	46
£70,000 - £80,000	23	22
£80,000 - £90,000	10	7
£90,000 - £100,000		
£100,000 - £110,000		-
£110,000 - £120,000		
£120,000 - £130,000		
£130,000 - £140,000	-	-
£140,000 - £150,000		
£150,000 - £160,000		
£160,000 - £170,000	-	-
£170,000 - £180,000		
£320,000 - £330,000	-	
£350,000 - £360,000		-
	<u>93</u>	<u>82</u>
The number with retirement benefits accruing was:	93	82
Of which contributions amount to:	£1,505,968	£1,079,491

During the year the School obtained, within its general insurance, professional indemnity and governors liability insurance cover of £10,000,000 (2019: £10,000,000).

In addition to the remuneration paid to the key management personnel, the School provides fee remission to staff typical of the independent sector, loans to assist in house purchasing and accommodation to staff who are entitled to accommodation by virtue of their role.

Other expenditure includes an amount of £215 which relates to travel expenses for 3 members of the Governing Body (2019: £1,183 for six members).

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

No Governors received any remuneration or benefits other than the expenses disclosed above from the School or any connected organisation. There are Governors during the year who have pupils at the School; the arrangements are on the same basis as for other parents at the school. There were no related party transactions during the year.

6. TANGIBLE FIXED ASSETS

	Total	Freehold Land and Permanent Buildings	Equipment and Motor Vehicles
	£	£	£
COST/VALUATION			
At 1 August 2019	125,535,771	123,464,770	2,071,001
Additions	4,648,368	4,630,369	17,999
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2020	130,184,139	128,095,139	2,089,000
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 August 2019	32,777,790	31,179,049	1,598,741
Charge for the year	2,711,755	2,612,597	99,158
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2020	35,489,545	33,791,646	1,697,899
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 July 2020	<u>£94,694,594</u>	<u>£94,303,493</u>	<u>£391,101</u>
At 31 July 2019	<u>£92,757,981</u>	<u>£92,285,721</u>	<u>£472,260</u>

The original land and buildings of the School are subject to a permanent endowment.

Depreciation calculated on a historical basis would be lower by £495,720 than the amount shown above (2019: lower by £495,720).

HIGHGATE SCHOOL**NOTES TO THE ACCOUNTS (continued)****FOR THE YEAR ENDED 31 JULY 2020****7. FIXED ASSET INVESTMENTS**

	Endowment	Total	Total
	£	2020	2019
		£	£
Market value			
At 1 August 2019	1,386,358	1,386,358	1,303,415
Additions	160,708	160,708	197,356
Disposals	(137,488)	(137,488)	(184,038)
Revaluations	(51,947)	(51,947)	69,625
	<u>£1,357,631</u>	<u>£1,357,631</u>	<u>1,386,358</u>
Cash awaiting investment	35,085	35,085	35,509
At 31 July 2020	<u>£1,392,716</u>	<u>£1,392,716</u>	<u>£1,421,867</u>

8. STOCKS

	2020	2019
	£	£
Catering, cleaning, stationery	<u>£42,301</u>	<u>£45,484</u>

9. DEBTORS

	2020	2019
	£	£
Fees	549,619	403,335
Loans to employees	101,013	125,602
Prepayments and accrued income	2,536,174	1,606,831
Other debtors	203,357	3,404
	<u>£3,390,163</u>	<u>£2,139,172</u>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

10. CASH AT BANK AND IN HAND

	2020	2019
	£	£
Bank deposit and current accounts	£54,288,176	£15,703,679

11a. CREDITORS

	2020	2019
	£	£
Fee deposits	2,436,988	3,403,472
Fees received in advance	1,655,897	1,460,520
Audit & accountancy	31,500	30,000
Accruals and deferred income	3,638,132	3,168,561
Other creditors	867,690	783,615
	<u>8,630,207</u>	<u>8,846,168</u>
Due after one year		
Advance payments	4,365,386	4,176,914
Pension provision	1,201,000	1,283,000
Other Loans	60,000,000	20,000,000
	<u>65,566,386</u>	<u>25,462,914</u>
Total creditors	<u>£74,196,593</u>	<u>£34,306,082</u>

The bank loan of £15m which was fully repaid in 2019. All costs associated with this are included within the finance costs of the Statement of Financial Activities.

On the 24 July 2019, the school entered into a private placement for £60m funding paid to the School in three tranches to assist in the financing of the School's capital programme. The first drawdown of £20m was received on 24 July 2019 with an interest rate of 3.01% repayable on the 24 September 2054. The second drawdown totalling £40m was received on 24 September 2019; £10m with an interest rate of 2.90% repayable on the 24 September 2044 and £30m with an interest rate of 2.94% repayable on the 24 September 2049. For all three tranches the first interest payment was made on 24 March 2020 and will continue at six-monthly intervals thereafter.

At 31 July the School had the following annual commitments under non-cancellable operating leases:

	2020	2019
	£	£
Leases expiring within 1 year	16,584	11,103
Leases expiring between 2 - 5 years	31,979	28,571
Leases expiring between greater than 5 years	-	-
	<u>£48,563</u>	<u>£39,674</u>

HIGHGATE SCHOOL**NOTES TO THE ACCOUNTS (continued)****FOR THE YEAR ENDED 31 JULY 2020**

I 1b. ADVANCE FEES	2020	2019
	£	£
After 5 years	794,754	615,500
Within 2 to 5 years	2,187,403	2,311,069
Within 1 to 2 years	1,383,229	1,250,345
	<hr/>	<hr/>
	4,365,386	4,176,914
Within 1 year	1,655,897	1,460,520
	<hr/>	<hr/>
	£6,021,283	£5,637,434
	<hr/> <hr/>	<hr/> <hr/>
		2020
		£
The movements during the year on the accrued liability under the contracts were:		
Balance at 1 August 2019		5,637,434
New contracts		2,142,847
		<hr/>
		7,780,281
Amounts utilised in payment of fees:		(1,758,998)
To the school		<hr/>
		£6,021,283
		<hr/> <hr/>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

12. ENDOWMENT FUNDS

	Balance at 1 August 2019 £	Net income/ (expenditure) £	Transfers Between Funds £	Investment gains(losses) £	Balance at 31 July 2020 £
Property Fund	27,789,363	-	-	-	27,789,363
Sinking Fund	230,746	358	-	8,282	239,386
Prize Fund	473,086	11,281	-	(28,285)	456,082
Furnival Jones Library Fund	24,475	-	-	(1,463)	23,012
Arthur (Bill) and Beryl Field Memorial Bursary Fund	468,005	-	-	(27,981)	440,024
Zikel Music Fund	74,252	-	-	(4,439)	69,813
	<u>£29,059,927</u>	<u>£11,639</u>	<u>£-</u>	<u>£(53,886)</u>	<u>£29,017,680</u>
PRIOR YEAR (2019):					
	Balance at 1 August 2018 £	Net income/ (expenditure) £	Transfers Between Funds £	Investment gains(losses) £	Balance at 31 July 2019 £
Property Fund	27,789,363	-	-	-	27,789,363
Sinking Fund	201,768	350	-	28,628	230,746
Prize Fund	450,446	8,750	-	13,890	473,086
Furnival Jones Library Fund	23,743	-	-	732	24,475
Arthur (Bill) and Beryl Field Memorial Bursary Fund	454,005	-	-	14,000	468,005
Zikel Music Fund	72,031	-	-	2,221	74,252
	<u>£28,991,356</u>	<u>£9,100</u>	<u>£-</u>	<u>£59,471</u>	<u>£29,059,927</u>

Property Fund: Represents the net book value as at 31 July 2016 of the endowed property of the School, principally constituting the main Island Site.

Sinking Fund: Represents the recoupment required under a Charity Commission scheme on the utilisation of endowed funds in earlier years which expires in 2020.

Prize Fund: Represents donations received where the capital element was to be retained and the income arising utilised for awards to pupils.

Furnival Jones Library Fund: Represents a donation received where the capital element was to be retained and the income arising utilised for the library.

Arthur (Bill) and Beryl Field Memorial Bursary Fund: a fund established from which the income is to provide bursarial assistance at the discretion of Governors.

Zikel Music Fund: A fund established from which the income be used for or towards music tuition (including the hire of the associated instrument) for a promising pupil entering the school who would not otherwise be able to afford the cost of such tuition.

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

13. RESTRICTED FUNDS

	Balance at 1 August 2019 £	Net income/ (expenditure) £	Transfers Between Funds £	Investment gains/(losses) £	Balance at 31 July 2020 £
Furnival Jones Library Fund	2,256	584	-	-	2,840
Outreach Project	7,866	(7,866)	-	-	-
Robin Barnard Bequest	29,750	-	-	-	29,750
Bursary Fund	1,036,490	1,723,088	-	-	2,759,578
LAET	93,811	66,910	-	-	160,721
Digital Access	-	70,805	-	-	70,805
Open Door	54,431	-	-	-	54,431
Arthur (Bill) and Beryl Field Memorial Bursary Fund	42,696	(1,800)	-	-	40,896
Learning Support Fund	175,824	136,000	-	-	311,824
Hardship Fund	-	61,879	-	-	61,879
Other Funds	9,880	(75)	-	-	9,805
Mental Health Fund	150,000	(83,172)	-	-	66,828
Buildings Fund	-	200,000	-	-	200,000
	<u>£1,603,004</u>	<u>£2,166,353</u>	<u>£-</u>	<u>£-</u>	<u>£3,769,357</u>

PRIOR YEAR (2019):

	Balance at 1 August 2018 £	Net income/ (expenditure) £	Transfers Between Funds £	Investment gains/(losses) £	Balance at 31 July 2019 £
Furnival Jones Library Fund	1,787	469	-	-	2,256
Outreach Project	21,190	(13,324)	-	-	7,866
Robin Barnard Bequest	29,750	-	-	-	29,750
Bursary Fund	872,290	164,200	-	-	1,036,490
LAET	114,817	(21,006)	-	-	93,811
LAET Library	2,330	(2,330)	-	-	-
Open Door	54,431	-	-	-	54,431
Arthur (Bill) and Beryl Field Memorial Bursary Fund	33,725	8,971	-	-	42,696
Learning Support Fund	200,000	(24,176)	-	-	175,824
Museum Fund	6,058	(6,058)	-	-	-
Other Funds	-	9,880	-	-	9,880
Mental Health Fund	150,000	-	-	-	150,000
	<u>£1,486,378</u>	<u>£116,626</u>	<u>£-</u>	<u>£-</u>	<u>£1,603,004</u>

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

13. RESTRICTED FUNDS (continued)

Library Fund: donations received towards the improvements in library facilities at Highgate School.

Robin Barnard Bequest: for the benefit of pupils wishing to pursue careers in medicine or science.

Bursary Fund: donations received from fundraising to be used to fund future bursaries at the School.

Outreach Project, Capital Projects and E-learning Funds: donations received for the purposes described in the fund name.

Open Door: donation received to encourage pupils in their explanation or understanding of the Christian faith.

Arthur (Bill) and Beryl Field Memorial Bursary Fund: see Note 12.

Zikel Music Fund: see Note 12.

Digital Access: donations received to help children at our partner schools who have little or no access to a computer.

LAET: A fund following a Gala event and other donations throughout the year to raise money for LAE Tottenham.

Hardship Fund: donations received to help families who are struggling to pay fees due to unforeseen circumstances.

Other: donations received for CCF and PPS/JS.

Learning Support: donation received for additional staffing to strengthen Learning Support.

Mental Health: donation received towards staffing costs for enhanced mental health provision.

Buildings Fund: donation received to help develop the buildings/fabric of the School.

14. UNRESTRICTED FUNDS

	Balance at 1 August 2019 £	Net income/ (expenditure) £	Transfers between funds £	Investment gains/ (losses) £	Balance at 31 July 2020 £
<u>Designated Funds</u>					
Property Fund	47,099,170	-	(274,850)	-	46,824,320
<u>General Funds</u>					
Revenue Reserve	-	(274,850)	274,850	-	-
TOTAL	£47,099,170	(274,850)	-	-	46,824,320
PRIOR YEAR (2019):					
	Balance at 1 August 2018 £	Net income/ (expenditure) £	Transfers between funds £	Investment gains/ (losses) £	Balance at 31 July 2019 £
<u>Designated Funds</u>					
Property Fund	45,111,771	-	1,987,399	-	47,099,170
<u>General Funds</u>					
Revenue Reserve	-	1,987,399	(1,987,399)	-	-
TOTAL	£45,111,771	£1,987,399	£-	£-	£47,099,170

The Property Fund reflects the net book value of unrestricted fixed assets together with the proceeds of asset disposals which the Governors intend to reinvest in fixed assets.

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

15. ANALYSIS OF THE NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Investments £	Net Current Assets less Liabilities £	Long term Liabilities £	Total £
Endowment Funds	27,789,363	1,392,716	(164,399)	-	29,017,680
Restricted Funds	-	-	3,769,357	-	3,769,357
Unrestricted :					
General	-	-	-	-	-
Designated	66,905,231	-	45,485,475	(65,566,386)	46,824,320
	<u>£94,694,594</u>	<u>£1,392,716</u>	<u>£49,090,433</u>	<u>£(65,566,386)</u>	<u>£79,611,357</u>

PRIOR YEAR (2019):

	Fixed Assets £	Investments £	Net Current Assets less Liabilities £	Long term Liabilities £	Total £
Endowment Funds	27,789,363	1,421,867	(151,303)	-	29,059,927
Restricted Funds	-	-	1,603,004	-	1,603,004
Unrestricted :					
General	-	-	-	-	-
Designated	64,968,618	-	7,590,466	(25,459,914)	47,099,170
	<u>£92,757,981</u>	<u>£1,421,867</u>	<u>£9,042,167</u>	<u>£(25,459,914)</u>	<u>£77,762,101</u>

16. CAPITAL COMMITMENTS

	2020	2019
Authorised and contracted for	<u>£740,600</u>	<u>£3,192,000</u>

17. PENSION COMMITMENTS

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,921,067 (2019: £1,969,730) and at the year-end £Nil (2019 - £Nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

17. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme (continued)

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2020. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

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

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

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

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Pension Trust

Highgate School participates in the Independent Schools' Pension Scheme (ISPEN). The Scheme is funded and is contracted out of the state scheme. ISPEN is a multi-employer defined benefit scheme. 213 employees currently participate in the scheme. 205 employees participate on a final salary basis with a 1/80th accrual rate. From 1 September 2020, these employees made a contribution of 6% of pensionable salary to the scheme whereas the School made an employer contribution of 16.8%. A further 8 employees, who pre-1996 were members of the Highgate School Retirement and Death Benefits Scheme, participate on a final salary basis with a 1/60th accrual rate. These employees made a contribution of 6% whereas the School's contribution was 24.2%.

The last formal valuation of the scheme was performed as at 30 September 2017 by a professionally qualified actuary using the Projected Unit Method. The market value of the scheme's assets at the valuation date was £149.4 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £38.2 million, equivalent to a past service funding level of 80%. Following consideration of the results of the actuarial valuation, it was agreed that the shortfall of £38.2 million would be dealt with by the payment of deficit contributions, from all participating employers allocated in line with their estimated share of the scheme liabilities, of £2.4 million per annum from 1 September 2020 to 30 April 2030. These deficit contributions are in addition to the long-term joint contribution rates (highlighted above).

There is a potential debt on the employer that could be levied by the Trustees of the scheme. The debt is due in the event of the employer ceasing to participate in the scheme or the scheme winding up. Highgate School has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Independent Schools' Pension Scheme based on the financial position of the scheme as at 30 September 2019. As of this date the estimated employer debt was £10,147,406. This amount is not provided for in the accounts as it is not considered likely that the School will withdraw from the scheme.

HIGHGATE SCHOOL

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 JULY 2020

18. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
COMPARATIVE FIGURES BY FUND

	Notes	General Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 2019 £
INCOME FROM:						
Charitable activities						
School fees receivable	1	34,578,654	-	-	-	34,578,654
Other educational income	2	359,737	-	-	-	359,737
Ancillary trading income	2	1,878,155	-	-	-	1,878,155
Investments						
Bank and other interest		28,378	-	-	69	28,447
Investment income		5,379	-	10,863	9,181	25,423
Voluntary sources						
Donations	3	415,783	-	678,198	-	1,093,981
Total Income		<u>37,266,086</u>	<u>-</u>	<u>689,061</u>	<u>9,250</u>	<u>37,964,397</u>
EXPENDITURE ON:						
Raising funds						
Finance costs		1,010,852	-	-	-	1,010,852
Charitable activities						
School operating costs		34,267,835	-	572,435	150	34,840,420
Total expenditure	4	<u>35,278,687</u>	<u>-</u>	<u>572,435</u>	<u>150</u>	<u>35,851,272</u>
NET INCOME		1,987,399	-	116,626	9,100	2,113,125
Gains on investment assets		-	-	-	59,471	59,471
Transfers between funds	14	(1,987,399)	1,987,399	-	-	-
Net movement in funds		-	1,987,399	116,626	68,571	2,172,596
Balances brought forward at 1 August 2018		-	45,111,771	1,486,378	28,991,356	75,589,505
Balances carried forward at 31 July 2019		£-	£47,099,170	£1,603,004	£29,059,927	£77,762,101