

**Westminster
Cathedral
Choir
School**

Annual Report and Accounts

31 August 2018

Charity Registration Number
1063761

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Reference and administrative details of the charity and its Corporate Trustee

Trustee of the charity The charity is controlled by the “Westminster Roman Catholic Diocese Trustee” (WRCDT), a company limited by guarantee. The company does not conduct any trade or business for its own account and has no assets or liabilities. Its sole purpose is to act as trustee for a number of trusts and funds. The principal of these is the Westminster Roman Catholic Diocesan Trust.

The Directors of Westminster Roman Catholic Diocese Trustee (herein referred to as Trustees) are:

His Eminence Cardinal V Nichols
Rt Rev J Sherrington
Rt Rev N Hudson
Rt Rev P McAleenan
Rt Rev J Wilson
Rt Rev Mgr M Hayes
Rt Rev Mgr J O’Boyle
Miss L Ferrar
Miss R Kelly
Mr C Kemball
Mr A Ndoca

President of the School His Eminence Cardinal V Nichols

The Board of Governors

Chairman

Mr David Heminway
John Gibbs KSG FCA (resigned July 2018)
Mrs Julie Buclez
Mr Edward Codrington (resigned July 2018)
Mrs Maria Church
Mrs Kate Finch
Martin Hattrell (appointed March 2018)
Dr Marco Liviero
Mrs Marta Luiz (Finance Director of the Diocese)
Mrs Flora Lyon
Rev Alexander Master (appointed March 2018)
Mr Mike Pittendreigh (Assistant Director of Education for the Diocese)
Rev Stuart Seaton
Canon Christopher Tuckwell (Administrator of the Cathedral)
Mr Stephen Withnell

Reference and administrative details of the charity and its Corporate Trustee

<i>In attendance at Governors' meetings</i>	The Headmaster – Mr Neil McLaughlan The Master of Music – Mr Martin Baker The Bursar – Mrs Joanna Stephens
Clerk to the Governors	Mrs Joanna Stephens
Principal address	Westminster Cathedral Choir School Ambrosden Avenue London SW1 1QH
Charity registration number	1063761
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	HSBC Bank plc 69 Pall Mall London SW1Y 5EY

Report of the Directors of the Corporate Trustee Year to 31 August 2018

Introduction

The Directors of the Corporate Trustee (hereafter referred to as the Trustees) present their statutory report together with the accounts of the Westminster Cathedral Choir School (the charity or School) for the year ended 31 August 2018.

The accounts have been prepared in accordance with the accounting policies set out on pages 18 to 21 of the attached accounts and comply with the charity's trust deed, applicable laws and Accounting and Reporting by Charities: 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).

Structure, governance and management

Constitution

Westminster Cathedral Choir School is governed by a trust deed dated 8 July 1997 and is registered with the Charity Commission, Charity Registration No 1063761.

Status

Westminster Cathedral Choir School (WCCS) was founded by Cardinal Herbert Vaughan in 1902 to provide 25 boarding Choristers and 5 Exhibitioners to sing the daily capitular liturgy in the then new Cathedral. In 1976 day boys were introduced and in 2017 a pre prep was added. Current numbers stand at 229 boys, aged 4-13. The School is divided into nine year groups (National Curriculum Years Reception to year 8). There are approximately 30 boys in each year group. As the School is the only Roman Catholic Boarding Choir School, choristers come from a national catchment.

WCCS is situated within the precincts of Westminster Cathedral and is Roman Catholic by foundation. The Headmaster is a member of the Incorporated Association of Preparatory Schools (IAPS), the Catholic Independent Schools' Conference (CISC) and the Choir Schools' Association (CSA).

Organisation

Ultimate responsibility for the charity lies with the Directors of Westminster Roman Catholic Diocese Trustee (WRCDT) (the Trustees).

Report of the Directors of the Corporate Trustee Year to 31 August 2018

Structure, governance and management (continued)

Trustees and Governors

The Trustees i.e. the Directors of the Corporate Trustee are appointed by the Archbishop of Westminster.

The Trustees who have been in office since 1 September 2017 are as follows:

	Appointed/resigned
His Eminence Cardinal V Nichols	
Rt Rev J Sherrington	
Rt Rev N Hudson	
Rt Rev P McAleenan	
Rt Rev J Wilson	
Rt Rev Mgr T Egan	Resigned 20 September 2017
Rt Rev Mgr M Hayes	
Rt Rev Mgr J O'Boyle	
Lord D Brennan QC	Resigned 14 December 2018
Miss L Ferrar	
Miss R Kelly	
Mr C Kemball	
Mr A Ndoca	

On agreeing to become a Director of the Corporate Trustee, the Trustees are thoroughly briefed by their co-Trustees on the history of the charity, the day-to-day management, the responsibilities of the Trustees, the current objectives and future plans. The Trustees are also encouraged to attend any courses which they feel are relevant to the development of their role and to keep up-to-date on any changes in legislation.

The Trustees are ultimately responsible for the policies, activities and assets of the charity. The Archbishop appoints a Chairman of the Board of Governors who appoints other governors for a fixed term in consultation with the Archbishop. The Governors work with the Trustees in determining the general direction of the School and operate within powers set out in an Instrument of Government. They meet during the year to review the developments with regard to the charity, its activities and make any important decisions. When necessary, the Trustees and/or Governors seek advice and support from the charity's professional advisers including solicitors and accountants. The bursar undertakes the day to day management of the charity's activities, the implementation of policies, administers payments and keeps the books and records of the charity.

The names of the Governors who served during the year are given on page 1.

At their meetings the Governors review the latest management accounts including budget forecasts.

Structure, governance and management (continued)

Trustees' and Governors' expenses

No Trustee or Governor received any remuneration or expenses from the charity in connection with his/her duties as a Trustee or Governor during the year. No Trustee or Governor had any beneficial interest in any contract with the charity.

Responsibilities of the Trustees

The Trustees are responsible for preparing the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Key management personnel

The Trustees and Governors consider that they, together with the Senior Management Team (SMT), comprise the key management of the charity in charge of directing and controlling, running and operating the School.

Structure, governance and management (continued)

Key management personnel (continued)

As noted above, neither the Trustees nor the Governors receive any remuneration in respect to their services. The Governors meet at least once a term and there is regular formal and informal communication between the Governors, the Trustees and members of the SMT.

Day to day management of the School is the responsibility of the Senior Management Team. This consists of the Headmaster, Deputy Head Pastoral, Head of Boarding, Director of Studies, Head of Pre-Prep, Director of Admissions and Bursar. The SMT meets weekly to discuss any operational, safeguarding or staff matters.

The remuneration of members of the SMT is reviewed annually by the Governors' Remuneration Committee. This Committee considers market pay levels (using external survey data where available), individual performance over the year and any changes in responsibilities. Those members of the SMT that also teach will have a portion of their salary determined by the main teaching pay scale.

Risk management

The Trustees delegate risk management to the School's Governing Body – principally through its Pastoral and Finance Committees, which meet termly. WCCS is also represented at the Health, Safety and Fire Committee of the Westminster Roman Catholic Diocesan Trust. Risks are identified and assessed, and controls established throughout the year.

The key controls used by the School include:

- ◆ Formal agendas for all committee meetings
- ◆ Strategic planning, budgeting and management accounting
- ◆ Established organisational structure and lines of reporting
- ◆ Formal written policies, including safeguarding and child protection
- ◆ Clear authorisation and approval level
- ◆ Maintenance of a risk register

Through the risk management processes established for the School, the Governors are satisfied that the major risks identified have been mitigated. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Structure, governance and management (continued)

Principal risks and uncertainties

The principal risks and uncertainties facing the charity are detailed in a risk register. The principal risks and the strategies applied by the Trustees and Governors for managing these are outlined below.

- ◆ ***Opening of a Pre-Prep:*** The charity opened a Pre-Prep for boys age 4 to 8 in September 2017. This presents an operational risk as the School has not previously offered education to boys below Year 3, or 7 years old. There is also financial risk as substantial rent payments must be met to occupy the pre-prep building. A detailed ten-year business plan and cash flow modelling for both the Prep and Pre-Prep schools has been completed. Financial performance against this model is, and will continue to be, closely monitored by the Finance Committee. There is total confidence in the charity's ability to meet this business plan and cash flow remains strong.
- ◆ ***Safeguarding:*** Compliance with safeguarding regulation is a key management concern because of the associated reputational risk for non-compliance. The School has a Designated Safeguarding Lead and a Safeguarding Governor who is responsible for ensuring the policies and procedures comply with the latest Independent Schools Inspectorate (ISI) regulations and *Keeping Children Safe in Education*, and are implemented in all aspects of the School's operation. Advice is sought from Westminster Local Authority Designated Officer (LADO) as appropriate. Each member of staff receives safeguarding training at induction and this is repeated annually at staff INSET training. The Senior Management Team receives additional training on safer recruitment. The Deputy Head (Pastoral) and Designated Safeguarding Lead reports any pastoral or safeguarding matters to the SMT weekly, and to the Governors' Pastoral Committee and full Governors' meetings termly.
- ◆ ***Fall in pupil numbers:*** A reduction in pupil numbers would result in a fall in income which, over the long term, could affect the overall financial security of the School. At present this is considered a low risk as the School benefits from a strong market position, and demand for places is high. The School carefully monitors Open Morning attendances and registration numbers to ensure any deterioration of this position is quickly identified and addressed. The introduction of the Pre-Prep substantially reduces the School's reliance on a small, and dwindling, number of Pre-Prep feeder schools, and affords the School greater control of its pupil intake.
- ◆ ***Independent Inquiry into Child Sexual Abuse (IICSA):*** The School has been included in Phase 1 of IICSA's *Investigation into Child Sexual Abuse in Residential Schools*. The School intends to co-operate fully and transparently with the Inquiry and has applied for Core Participant status. Inclusion in IICSA presents reputational risk to the School and financial risk relating to the associated legal costs.

Connected charity

The Trustees are also responsible for Westminster Roman Catholic Diocesan Trust, a registered charity, Charity Registration Number 233699.

Report of the Directors of the Corporate Trustee Year to 31 August 2018

Objectives and activities

The general aims of the charity are the advancement of the Roman Catholic Religion and the advancement of education in the Roman Catholic tradition. The charity aims to train boys in church choral music through the operation of Westminster Cathedral Choir School.

In planning the activities of the charity for the year, the Trustees and Governors have considered the guidance on public benefit issued by the Charity Commission.

Achievements and performance

Pupil numbers

At the start of the academic year there were 196 boys in the School (2016/17: 179) of whom 25 were choristers (2016/17: 29) and 171 day boys (2016/17: 150). The increase in pupil numbers was due to the opening of the Pre-Prep in September 2017.

Fees

Termly fees for 2017/18 were £5,450 for Reception boys, £6,194 for day boys and £3,249 for choristers. The Governors' Finance Committees sets the level of fees each year taking into consideration the cost of providing high standards of teaching, learning and pastoral care, and of maintaining the fabric of the building.

Chorister bursaries

All twenty-five boarding choristers received a substantial reduction against boarding fees. Seven boarding choristers received additional financial support from the Choir Schools' Association and a further bursary from the WCCS Chorister Hardship Fund.

The School endeavours to ensure that any boy who has the musical ability to benefit from a WCCS education will receive the financial support he needs.

Academic life

The School continued to develop its 'liberal arts' curriculum and achieved outstanding academic results. The curriculum is structured so that boys experience knowledge as an integrated whole, rather than as competing specialisms. Boys learn through making connections, so topics are planned to complement other curriculum areas. Each year takes a historical period as its centre – ancient, medieval or modern – and this guides topic choices. Over the course of their time at the School, boys will study the cycle of human civilisation three times.

Boys achieve a high level of cultural literacy for their age. At a level accessible to each Year Group, boys encounter 'the best that has been known and said'. In English, they learn to memorise great poems; in science, they study the great scientists and inventors; in art and music they study the masters.

Teaching fosters boys' intellectual life by using resources that have been carefully designed by the School, and educational visits strengthen the boys' interest in the topics they have studied in class, as well as widening their cultural horizon. Boys also learn about how British values have emerged over the centuries.

Achievements and performance (continued)

Academic life (continued)

WCCS remains a 13+ Common Entrance School preparing boys for a wide range of senior schools. In 2018 boys went on to the following schools:

- ◆ Ampleforth College (Basil Hume Scholarship)
- ◆ Cardinal Vaughan Memorial School
- ◆ City of London School x 3
- ◆ Dubai College
- ◆ Dulwich College x 2 (1 x Music Scholarship)
- ◆ Eton College x 3 (1 x Music Exhibition)
- ◆ Harrow School x 2 (1 x Music Scholarship)
- ◆ Ibstock Place School (Music Scholarship)
- ◆ London Oratory School
- ◆ Radley College
- ◆ Rugby School (Music Scholarship)
- ◆ St Paul's School x 2
- ◆ University College School
- ◆ Westminster School x 4
- ◆ Wetherby School
- ◆ Winchester College x 4 (1 x Music Exhibition)
- ◆ Worth School (Music Scholarship)

Music

In addition to singing the daily Capitular Liturgy in the Cathedral, it was another busy year for the Cathedral Choir. The Choir sang Evensong with the choir of Westminster Abbey in the Abbey for the Feast of St Edward the Confessor and Vespers in St Paul's Cathedral during the Week of Prayer for Christian Unity. The choristers also sang at the Festival of St Cecilia in Westminster Abbey and at the Christmas Celebration in Westminster Cathedral.

The School and the Local Community

The School raised funds for its local charity for young homeless people, the Cardinal Hume Centre and for Eyehope, a charity founded by a team of Ophthalmologic Consultants at nearby St Thomas's Hospital.

The Gallery Choir sung at St Mary's Catholic Church Chelsea and also at Christmas Carols at the Cardinal Hume Centre.

The School also led a chorister outreach programme, working with maintained sector schools in the Diocese of Westminster, culminating in a summer concert in Westminster Cathedral.

Report of the Directors of the Corporate Trustee Year to 31 August 2018

Financial review

Financial position

The charity had income during the year of £3,812,980 (2017 - £3,460,064). Income from tuition fees and similar charges, net of bursaries, totalled £3,631,573 (2017 - £3,215,760). Donations and grants during the year amounted to £181,407 (2017 - £244,304). Included within this total was £90,000 (2017 - £90,000) received by way of a grant from the Westminster Cathedral Choir School Fund (Registered Charity No. 276878).

Total expenditure amounted to £4,083,808 (2017 - £3,415,978) with staff costs, rent for the new Pre-Prep building and premises expenditure accounting for a significant proportion of this total. The accounts incorporate expenditure on refurbishment of the facilities and buildings to improve the quality of education provided to the boys.

Before accounting for the accrued rent of £362,500 that arises as a result of the need to recognise rent on a straight line basis over the period of the lease, the charity had a surplus of £91,672 (2017 - £44,086). At 31 August 2018, the charity had total net funds of £1,414,404 (2017 - £1,685,232).

This includes restricted funds at 31 August 2018 of £68,627, principally being monies to be applied towards meeting the fees of those choristers who apply for a bursary.

Reserves policy

The Trustees and Governors have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated or otherwise committed. The figure for free reserves is distorted by the amounts held in respect to fee deposits (most of which will not be repayable for several years), an accrual for rent that arises from the requirement to account for payments under the lease on a straight line basis instead of when payable and by long term loan finance provided by Westminster Cathedral Choir School Fund to enable the School to undertake refurbishment projects. Therefore, the nature of the charity's activities is such that the key performance indicator is cash flow rather than the level of free reserves. Cash flow will vary over the course of each term, with high levels of cash being held at the start of each term and then being used over the course of the term to meet expenditure on staff, premises and the operation of the School. The Trustees and Governors are of the opinion that at all times the charity should have sufficient cash flow to enable it to meet its costs, that the cash flow should be sufficient to enable the School to continue to invest in the premises, facilities and equipment, to provide sufficient flexibility to cover temporary shortfalls in income due to falls in pupil numbers, and to cover the other risks and uncertainties of operating as an independent educational establishment. To this end cash flow is monitored regularly against budget and there is tight control over debt collection and expenditure.

Report of the Directors of the Corporate Trustee Year to 31 August 2018

Financial review (continued)

Reserves policy (continued)

At 31 August 2018 the charity had net current assets of £302,308 with cash at bank amounting to £1,391,162. The Trustees and Governors believe that the financial position of the School at this date was acceptable and that the cash flow, which is monitored closely, was adequate but not excessive. The School remains confident in its budget for the year ending 31 August 2019 which projects a net cash inflow from operating activities, further demonstrating the School's financial strength.

Fundraising statement

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Future plans

The charity's focus remains strongly on building up pupil numbers in the pre-prep school, which takes boys from Reception (age 4) to Year 3 (age 8). In September 2017 the pre-prep recruited its first 29 boys; in September 2018 the number of boys in the pre-prep doubled to 58, we anticipate this expanding within three years to approximately 120 pupils.

The charity's other principal focus is improving the already-outstanding exit list at 13+. In 2018 over 70% of 13+ leavers went to major academically-selective senior schools; in 2019 we estimate that figure to be over 90%. This both insulates the School from early exits at 11+ and ensures that it remains attractive to families joining at 4+, 7+ and 8+.

Signed on behalf of the Directors of
Westminster Roman Catholic Diocese Trustee

Rt Rev J Sherrington

Trustee

Approved by the Trustees on: 16 May 2019

Independent auditor's report Year to 31 August 2018

Independent auditor's report to the Directors of the Westminster Roman Catholic Diocese Trust (the Trustees)

Opinion

We have audited the accounts of the Westminster Cathedral Choir School (the 'charity') for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 August 2018 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 accounts is not appropriate; or
- ◆ the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Independent auditor's report Year to 31 August 2018

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 Act 2011 requires us to report to you if, in our opinion:

- ◆ the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of the responsibilities of the Trustees, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

Independent auditor's report Year to 31 August 2018

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with 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 and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

6 June 2019

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

Statement of financial activities Year to 31 August 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Income from:					
Donations and grants	1	147,442	33,965	181,407	244,304
Charitable activities					
. Provision of education	2	3,631,573	—	3,631,573	3,215,760
Total income		3,779,015	33,965	3,812,980	3,460,064
Expenditure on:					
Raising funds		1,001	—	1,001	6,024
Charitable activities					
. Provision of education	3	4,048,795	34,012	4,082,807	3,409,954
Total expenditure		4,049,796	34,012	4,083,808	3,415,978
Net (expenditure) income and net movement in funds*		(270,781)	(47)	(270,828)	44,086
Reconciliation of funds					
Balances brought forward at 1 September 2017		1,616,558	68,674	1,685,232	1,641,146
Balances carried forward at 31 August 2018		1,345,777	68,627	1,414,404	1,685,232

All of the charity's activities derived from continuing operations during each of the above two financial periods.

*Before accounting for the accrued rent of £362,500 that arises as a result of the need to recognise rent on a straight line basis over the period of the lease, the charity had a surplus of £91,672 (2017 – £44,086).

Balance sheet 31 August 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	7		1,599,516		1,815,074
Current assets					
Debtors	8	83,175		37,903	
Cash at bank and in hand		1,391,162		950,357	
		1,474,337		988,260	
Creditors: amounts falling due within one year	9	(1,172,029)		(724,834)	
Net current assets			302,308		263,426
Total assets less current liabilities			1,901,824		2,078,500
Creditors: amounts falling due after more than one year	10		(487,420)		(393,268)
Total net assets			1,414,404		1,685,232
The funds of the charity:					
Funds and reserves					
Restricted funds	11		68,627		68,674
Unrestricted income funds					
. General fund					
..Tangible fixed assets		1,599,516		1,815,074	
..Free reserves		(253,739)		(198,516)	
			1,345,777		1,616,558
			1,414,404		1,685,232

Approved by the Directors of Westminster Roman Catholic Diocese Trustee and signed on their behalf by:

Rt Rev J Sherrington

Trustee

Approved on: 16 May 2019

Statement of cash flows Year to 31 August 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	616,459	539,814
Cash flows from investing activities:			
Purchase of tangible fixed assets		(175,654)	(165,070)
Net cash used in investing activities		(175,654)	(165,070)
Change in cash and cash equivalents in the year		440,805	374,744
Cash and cash equivalents at 1 September 2017	B	950,357	575,613
Cash and cash equivalents at 31 August 2018	B	1,391,162	950,357

Notes to the statement of cash flows for the year to 31 August 2018.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2018 £	2017 £
Net movement in funds (as per the statement of financial activities)	(270,828)	44,086
Adjustments for:		
Depreciation charge	254,103	221,470
Increase in debtors	(45,272)	(887)
Increase in creditors	678,456	275,145
Net cash provided by operating activities	616,459	539,814

B Analysis of cash and cash equivalents

	2018 £	2017 £
Total cash and cash equivalents: Cash at bank and in hand	1,391,162	950,357

Principal accounting policies 31 August 2018

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 August 2018 with comparative information given in respect to the year to 31 August 2017.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: 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 (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees, in consultation with the Governors and Senior Management Team, to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ Estimating the useful economic life of tangible fixed assets for the purposes of determining an annual depreciation charge; and
- ◆ Assessing the level of any necessary bad debt provision.

Assessment of going concern

The Trustees, in consultation with the Governors, have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. They have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees and Governors of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern although maintaining pupil numbers remains essential to financial security (see principal risks set out in the Report of the Directors of the Corporate Trustee). The Trustees and Governors are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations and grants are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations or grants pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Fees for the provision of education comprise tuition and related fees paid in accordance with agreements between the School and individual pupils' parents. Such income is stated after deducting bursaries and is recognised when the School is entitled to receipt under the relevant contractual agreements. This is usually at the point at which the School has commenced the provision of education in respect to the relevant student at the start of each academic term.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs and is stated inclusive of irrecoverable VAT.

Expenditure on charitable activities includes all direct and indirect costs associated with furthering the charitable purposes of the charity i.e. the provision of education and the training of children in church choral music through the operation of Westminster Cathedral Choir School. Such costs include:

- ◆ Teaching costs i.e. the cost of teaching and support staff salaries, including pension and national insurance costs, books and other tuition expenses, and the cost of games and activities.
- ◆ Welfare costs i.e. all domestic costs associated with the School including employment costs, consumables and catering.
- ◆ Premises' costs i.e. costs associated with the premises, grounds and estate used by the charity for the purposes of education.
- ◆ Support costs i.e. administrative costs incurred in connection with the School.
- ◆ Governance costs, i.e. costs directly attributable to the legal procedures necessary for compliance with statutory requirements.

Principal accounting policies 31 August 2018

Tangible fixed assets

Assets costing in excess of £1,000 and with an expected useful life exceeding one year are capitalised.

All tangible fixed assets are stated at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- ◆ Furniture, equipment and minor improvements 10% - 20% per annum based on cost
- ◆ Major improvements to property 4% per annum based on cost

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid..

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund structure

The general fund comprises the net book value of tangible fixed assets and free reserves i.e. those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the Trustees.

The restricted funds comprise monies raised for, or their use restricted to, a specified purpose or amounts subject to donor imposed conditions as to use.

Principal accounting policies 31 August 2018

Leased assets

Operating leases are defined as those leases where substantially all of the benefits and risks of ownership remain with the lessor. The rental applicable for the period from the commencement of such a lease until the end of the lease is charged to the statement of financial activities on a straight line basis spread over the entirety of the lease term, including over any rent free period or period of reduced rent.

Pension costs

Contributions in respect to defined contribution schemes are charged to the statement of financial activities in the year in which they become payable to the schemes.

The charity contributes to a defined benefit pension scheme. Under the definitions set out in FRS 102, the scheme is a multi-employer pension scheme. The School is unable to identify its share of the underlying assets and liabilities of the scheme and accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Notes to the accounts 31 August 2018

1 Income from: Donations and grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Grants receivable from Westminster Cathedral Choir School Fund (Registered Charity No. 276878)	90,000	—	90,000	90,000
Legacy	2,000	—	2,000	—
Other donations, gifts and sundry receipts	55,442	33,965	89,407	154,304
2018 Total funds	147,442	33,965	181,407	244,304
2017 Total funds	101,518	142,786	244,304	

2 Income from: Provision of education

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Gross fees	3,676,919	—	3,676,919	3,256,442
Less: Bursaries	(45,346)	—	(45,346)	(40,682)
2018 Total funds	3,631,573	—	3,631,573	3,215,760
2017 Total funds	3,215,760	—	3,215,760	

Choristers' fees only partially cover the costs associated with the provision of education for choristers. The shortfall is made up by a grant of £90,000 (2017 - £90,000) receivable from Westminster Cathedral Choir School Fund (see note 1).

3 Expenditure on: Provision of education

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Teaching and music				
Personnel costs	1,508,525	—	1,508,525	1,400,776
Books, equipment and educational supplies	333,651	—	333,651	342,125
Scholarships and prizes	13,088	27,046	40,134	34,751
Charity donations	—	6,966	6,966	17,640
Depreciation	197,171	—	197,171	180,552
Advertising, travel and related costs	66,226	—	66,226	52,037
	2,118,661	34,012	2,152,673	2,027,881
Welfare				
Personnel costs	232,559	—	232,559	208,868
Provisions	113,831	—	113,831	127,443
Miscellaneous expenses	25,921	—	25,921	26,841
	372,311	—	372,311	363,152

Notes to the accounts 31 August 2018

3 Expenditure on: Provision of education (continued)

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Premises				
Personnel costs	100,927	—	100,927	86,334
Maintenance and repairs	242,798	—	242,798	236,111
Rent and service charges payable to Westminster Roman Catholic Diocesan Trust (note 14)	625,293	—	625,293	204,721
Depreciation	56,932	—	56,932	40,918
Fuel, light and water	54,556	—	54,556	21,887
Cleaning	6,384	—	6,384	8,177
Staff accommodation	61,297	—	61,297	81,163
Miscellaneous	32,907	—	32,907	15,994
	1,181,094	—	1,181,094	695,305
Support				
Personnel costs	231,358	—	231,358	203,386
Printing, postage, stationery and telephone	33,656	—	33,656	28,933
Computers and related maintenance	56,770	—	56,770	68,952
Interest payable	1,500	—	1,500	1,409
	323,284	—	323,284	302,680
Governance				
Auditor's remuneration	9,720	—	9,720	10,266
Other legal and professional fees	43,725	—	43,725	10,670
	53,445	—	53,445	20,936
2018 Total funds	4,048,795	34,012	4,082,807	3,409,954
2017 Total funds	3,306,503	103,451	3,409,954	

4 Staff costs

	2018 £	2017 £
Staff costs during the period were as follows:		
Wages and salaries	1,718,698	1,557,428
Social security costs	155,557	139,292
Other pension costs	168,458	150,392
	2,042,713	1,847,112
Other staff costs	30,656	52,252
	2,073,369	1,899,364

The number of employees who earned more than £60,000 (including taxable benefits but excluding employer's national insurance and pension contributions) during the year was as follows:

	Total 2018	Total 2017
£60,001 - £70,000	3	3
£70,001 - £80,000	1	—
£110,001 - £120,000	1	1

Notes to the accounts 31 August 2018

4 Staff costs (continued)

The average number of employees during the period, analysed by function, was as follows:

	2018	2017
Teaching and music	35	31
Welfare	23	21
Support	6	5
	64	57

5 Remuneration of Trustees, Governors and key management personnel

No Trustee or Governor received any remuneration or expenses from the charity in connection with their duties as a Director of the Corporate Trustee or Governor during the year or in respect to their role as key management personnel (2017 - £nil). No Trustee or Governor had any beneficial interest in any contract with the charity during the year (2017 - none).

The key management personnel of the charity in charge of running and operating the charity on a day to day basis are the Directors of the Corporate Trustee, Governors, Headmaster, Deputy Head, Head of Pre-Prep, Head of Boarding, Director of Studies and Bursar. The total remuneration (including taxable benefits, employer's national insurance and pension contributions) of the key management personnel for the year was £640,027 (2017 - £500,143).

As part of his remuneration package, the Headmaster received a discount on school fees for his son in both the current and prior year.

6 Taxation

Westminster Cathedral Choir School is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

7 Tangible fixed assets

	Major improvements to property £	Furniture, equipment and minor improvements £	Total £
Cost			
At 1 September 2017	1,423,303	1,968,223	3,391,526
Additions	—	38,545	38,545
At 31 August 2018	1,423,303	2,006,768	3,430,071
Depreciation			
At 1 September 2017	434,053	1,142,399	1,576,452
Charge for year	56,932	197,171	254,103
At 31 August 2018	490,985	1,339,570	1,830,555
Net book values			
At 31 August 2018	932,318	667,198	1,599,516
At 31 August 2017	989,250	825,824	1,815,074

Notes to the accounts 31 August 2018

8 Debtors

	2018 £	2017 £
Tuition and other fees receivable	45,810	20,552
Prepayments and sundry debtors	37,365	17,351
	83,175	37,903

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Amounts due to Westminster Roman Catholic Diocesan Trust (note 14)	104,863	113,242
Accrued rent	362,500	—
Expense creditors	—	1,135
Fees in advance	566,616	265,077
Returnable fee deposits	27,500	28,500
Additions to tangible fixed assets	19,435	156,544
Accruals	91,115	160,336
	1,172,029	724,834

The accrued rent of £362,500 represents the charge to the statement of financial activities required in order to spread the rent applicable to the lease of the charity's premises over the entire period of the lease on a straight line basis after adjusting for an initial period of reduced rent.

10 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Returnable fee deposits	287,420	193,268
Loan from Westminster Cathedral Choir School Fund (see below)	200,000	200,000
	487,420	393,268

The loan from the Westminster Cathedral Choir School Fund (Charity Registration No. 276878) is interest free. Based on current projections repayment is not expected to be until at least 2022.

11 Restricted funds

The income funds include restricted funds comprising the following unexpended balances of donations and grants to be applied for specific purposes.

	At 1 September 2017 £	Income £	Expenditure £	At 31 August 2018 £
Basil Hume Fund	68,674	25,000	(27,046)	66,628
Other	—	8,965	(6,966)	1,999
Total restricted funds	68,674	33,965	(34,012)	68,627

The purposes for which the funds must be used are as follows:

- ◆ Basil Hume Fund
Although choristers are required to pay only a small proportion of the full fees by virtue of the grant received annually from the Westminster Cathedral Choir School Fund (note 1), further assistance is also available on application to this fund.
- ◆ Other
Funds were collected for Eyehope charity during the course of the year.

12 Analysis of net assets between funds

	Unrestricted general fund £	Restricted funds £	Total £
Fund balances at 31 August 2018 are represented by:			
Tangible fixed assets	1,599,516	—	1,599,516
Net current assets	233,681	68,627	302,308
Creditors: amounts falling due after more than one year	(487,420)	—	(487,420)
Total net assets	1,345,777	68,627	1,414,404

13 Connected charity

The charity is connected to Westminster Roman Catholic Diocesan Trust (Charity Registration Number 233699) which has the same Corporate Trustee, namely Westminster Roman Catholic Diocese Trustee.

14 Transactions with connected charity

A licence agreement exists between the School and Westminster Roman Catholic Diocesan Trust in relation to the School's share of the heating and hot water costs.

During the year to 31 August 2018, rent and service charges of £625,293 (2017 - £204,721) were payable to Westminster Roman Catholic Diocesan Trust. The increase in the amount charged arises from the acquisition by Westminster Roman Catholic Diocesan Trust of 47 Francis Street, London SW1 for use by Westminster Cathedral Choir School as a Pre-Prep School. The property, which is being rented to the charity, opened as the Pre-Prep School in September 2017.

As at 31 August 2018, an amount of £104,863 (2017 - £113,242) was due to Westminster Roman Catholic Diocesan Trust (note 9).

15 Commitments under operating leases

At 31 August 2018, the total of the charity's future minimum lease payments under non-cancellable operating leases was as follows:

	2018 £	2017 £
Land and buildings		
Amount due within one year	638,000	588,000
Amounts due between two and five years	2,472,000	2,315,000
Amounts due after five years	10,535,000	10,601,000
	13,645,000	13,504,000

The above lease is for a 30 year period with an initial three year period of reduced rent.

In December 2018, the charity agreed to revised lease terms which result in an additional £500,000 falling due over the remaining period of the lease.

16 Pension commitments

The charity's teaching staff belong to the Teachers' Pension Scheme (TPS). The total pension cost for the TPS for the period was £152,921 (2017 - £134,656). For non-teaching staff contributions are made to defined contribution pension schemes. The total pension costs for the year payable to these schemes was £15,537 (2017 - £15,736).

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including colleges. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

16 Pension commitments (continued)

Teachers' Pension Scheme (TPS) (continued)

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The charity is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The charity has set out below the information available on the plan and the implications for the charity in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2012. The valuation report was published by the Department for Education (the Department) on 9 June 2014. The key results of the valuation are:

- ◆ New employer contribution rates were set at 16.48% of pensionable pay (including administration fees of 0.08%);
- ◆ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million;
- ◆ an employer cost cap of 10.9% of pensionable pay.
- ◆ the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The new employer contribution rate for the TPS was implemented in September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable at some point in 2019.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.