



Dulwich College Financial Statements

For the year ended 31 July 2018

DULWICH COLLEGE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

haysmacintyre
Chartered Accountants
London

Company Number: 8208764
Registered Charity Number: 1150064

DULWICH COLLEGE

FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2018

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DULWICH COLLEGE

REPORT OF THE GOVERNORS

YEAR ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Governors who served during the year and to the date the report and accounts were signed were:

	Date appointed as a Governor	Term	Date retired as a Governor
Chairman			
The Rt Hon P J R Riddell CBE MA FRHistS *# ^{ØD}	1 August 2009	Second	
Vice Chair			
J M Hill MA#	1 August 2009	Second	
Sir Brian Bender KCB #	1 August 2009	Second	
Dr I Bishop CBE BEd MA LLD ^{ØS}	1 August 2012	Second	
V Flind BA ^{ØS}	1 August 2009	Second	
R J Foster BEd ^Ø	28 March 2011	Second	
S Ghosh BA MA* ^D	1 August 2011	Second	
Dr A H Köttering BSc MSc DPhil *	1 April 2013	Second	
D J Parfitt ^D	1 January 2018	First	
Professor R J Parish MA DPhil ^Ø	1 November 2016	First	
T J Pethybridge* ^D	1 December 2015	First	
P M Thompson RD MB BS FRCS ^{ØS}	1 April 2013	First	
G N C Ward CBE MA FCA*	1 August 2008	Second	

The Governors' terms of office stated above include their service as Governors of Dulwich College Trust. The Governors of Dulwich College Trust became the Governors of Dulwich College on its incorporation.

- * member of the Finance Committee.
- # member of the Property & Operations Committee.
- ^Ø member of the Education Committee.
- ^D member of the Development Committee.
- ^S member of the Safeguarding Committee.

DULWICH COLLEGE

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 JULY 2018

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Officers

Master	Dr J A F Spence BA PhD
Chief Operating Officer	S J Yiend MA
Clerk to the Governors	K Jones LLB
Deputy Master (Academic)	D A P King MA
Deputy Master (Pastoral)	F M Angel BA
Director of Finance	N J Prout BA ACA
Deputy Master (External Relations)	Dr C S B Pyke MA MMus PhD
Deputy Master (Co-curricular)	I L H Scarisbrick BSc
Director of Communications	J M Scott MA MBA

Other

Registered Charity Number 1150064

Company Number 8208764

Address Dulwich College
Dulwich Common
London
SE21 7LD

Advisers

Auditors haysmacintyre
10 Queen Street Place
London EC4R 1AG

Bankers Barclays Bank plc
1 Churchill Place
London E14 5HP

Investment Advisers BlackRock Investment Management (UK) Limited
33 King William Street
London EC4R 9AS

Veritas Investment Management LLP
Elizabeth House
39 York Road
London SE1 7NQ

Ruffer Investment Management
80 Victoria Street
London SW1E 5JL

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

DULWICH COLLEGE

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 JULY 2018

Dulwich College is descended from the College of God's Gift founded at Dulwich in 1619 by Edward Alleyn.

The College is a company limited by guarantee and a registered charity. It operates under a scheme made by the Charity Commission on 30 January 2013, which regulates the College as a charity, defines its charitable object and specifies the constitution, powers and duties of the Governors.

The College is the corporate trustee of Dulwich College Trust, which administers certain endowment assets and funds. Dulwich College Trust is a subsidiary charity of the College which is subject to a uniting direction and has a charity registration number 1150064-1. The College is also the corporate trustee of the Dulwich College Awards Fund, which is also subject to a uniting direction and has a charity registration number 1150064-13. Neither Dulwich College Trust nor Dulwich College Awards Fund is required to prepare separate financial statements.

Organisation

The College has a governing body consisting of not less than nine and not more than fourteen Governors, who are the directors of the company and the trustees of the charity.

The full Board of Governors meets at least three times a year.

- The Finance Committee of the Board meets three times a year and advises the Board on financial matters.
- The Property & Operations Committee meets three times a year and advises the Board on property and operations matters.
- The Education Committee meets three times a year to consider the curriculum and other academic matters and advises the Board on education matters.
- The Safeguarding Committee meets twice a year to consider safeguarding matters.
- The Development Committee meets termly to consider fundraising matters.
- A Chairs group (comprising the Chair and Vice-Chair of Governors, the Master, the Chief Operating Officer and the chair of each committee and subsidiary board) meets at the beginning of each term to review the key matters and projects for the College that term and to ensure that matters requiring the attention of Governors that term are duly considered.
- The Nominations Committee (comprising the Chair and Vice-Chair of Governors and the Master as ex officio members plus at least two co-opted Governors) meets termly and assists the Board with the recruitment of new Governors.

The Master is the chief executive of the College and is responsible for the implementation of the strategy and policy approved by Governors. He is assisted by the College Leadership Team (which consists of the Master, the four Deputy Masters, the Chief Operating Officer, the Director of Finance, the Clerk to the Governors and the Director of Communications), the Senior Management Team (which consists of the nine previously mentioned executives, the five Heads of School and the Director of Development) and the Education Leadership Team (which consists of the Master, the Deputy Master Academic and the five Heads of School). The College aims to provide salaries and allowances for senior managers and other staff that are in line with peer schools and similar organisations. These are benchmarked against surveys and other relevant market data from time to time.

The College provides information to its employees on the staff intranet (MyDulwich). Communication with staff is also conducted through mid-morning whole staff announcements from the Master and senior colleagues (twice a week, with key messages repeated by e-mail), at regular but less frequent intervals through committees of teaching and operational staff and through the Master's addresses to all staff.

The College provides employment, training and development to disabled persons on the same basis as to its other employees.

Recruitment and Training of Governors

Governors are appointed by the Board in accordance with the College's Articles of Association. They are normally appointed for a five year term of office and most Governors serve two such terms. No fee or other remuneration is payable to Governors, other than reimbursement, if claimed, of reasonable costs incurred in attending meetings. A Governor who is disqualified from acting under the Charities Act 2011, or is absent without good cause from all meetings of the Governors for twelve consecutive months, or notifies the Governors in writing of a wish to resign, ceases to be a Governor.

In appointing new Governors the Nominations Committee first reviews the skills and experience available among serving Governors. Having identified the skills and experience required, the committee recommends to the governing body suitable candidates for appointment. The Board looks to have a diversity of Governors and to have among the Governors Old Alleynians (former pupils of the College), parents or former parents and local residents.

All new Governors are invited to spend an induction day at the College, which includes meetings with Senior Management Team members. Newly appointed Governors are given written briefing material on the duties of a Governor and on the College and its operations and are briefed on the College's financial position by the Chair of the Finance Committee and the Director of Finance. Each Governor is invited at least once a year to spend a half-day visiting departments within the College (both academic and operational) in order to extend their knowledge of the College and its staff.

All Governors are encouraged to undergo relevant training (including safeguarding training). Training is provided to the full Board on their strategy days.

The College has taken out trustee indemnity insurance. This covers claims made against the College in respect of Governors' liability arising from any negligent act, error or omission committed in good faith. The premium for the insurance is included in the College's public liability premium.

Group Structure and connected charities

Dulwich College is one of the beneficiaries of The Dulwich Estate. The Estate's charitable purpose is to enable education, sheltered homes for the elderly and provide a place of worship in the community. The other beneficiaries comprise the Chapel, the Almshouses, the Central Foundation Schools, St Olave's and St Saviour's, as well as Alleyn's School and James Allen's Girls' School (JAGS). Each beneficiary is managerially and financially independent. The Estate's charitable scheme sets out that two of its trustees are nominated by the College. All beneficiaries receive an income distribution from The Dulwich Estate each year. The share for all three Dulwich Schools is allocated in proportion to the number of pupils in each school. The College devotes its entire income from the Estate to the provision of bursaries. The Estate also owns the freehold of some of the College's operational properties for which the College pays rent. Other than in its role as landlord the Estate does not have any influence on the operations of the College.

The College has two wholly owned trading subsidiaries, Dulwich College Enterprises Limited (DCE) and Dulwich College Enterprises Overseas Limited (DCEO). There is more information about DCE and DCEO later in this report.

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES

Charitable Object

The charitable object of the College is the advancement of education of children for the benefit of the public by:

- (a) the conduct at Dulwich of a day and boarding school for boys (called Dulwich College), in which there shall be provided a practical, liberal and religious education and which may include a preparatory department and, if thought fit, the provision of a pre-preparatory school for boys and girls; and
- (b) the provision and support of other educational institutions and activities in Dulwich and elsewhere in the United Kingdom.

Aims

The College's principal aims, as enunciated in the Strategic Development Plan, 2018-2022 (SDP) are:

- to ensure that all our pupils feel equally secure and valued;
- to offer academic challenges that enable each pupil to realise his potential;
- to provide sporting, cultural, charitable and adventurous engagement for all our pupils to enjoy and through which they can learn to work co-operatively and to lead;
- to nurture a supportive community that encourages a sense of social responsibility.

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES (continued)

It is also the College's responsibility to enable Alleynians to be thoroughly well prepared for the challenges of the 2020s.

Objectives for the year

The Governors' objectives for the year under review were:

- to maintain and improve the academic standards of the College;
- to ensure that the College upholds best practice with regard to pastoral care and safeguarding;
- to fund all necessary works on the College's campus and be able to fund development, while at the same time keeping fees at an appropriate level and ensuring a proper level of reward for employees;
- to promote open access to the College by maintaining and where possible increasing the availability of bursaries;
- to ensure that all the College's facilities were properly maintained, notably with regard to standards of Health and Safety and compliance;
- to continue to undertake building and maintenance work in accordance with the Master Plan for the site;
- to ensure the improvement of the provision of education over the course of the coming decade, in line with the aims expressed in the SDP;
- to promote partnerships between the College and the local community, particularly the community of schools in Southwark and Lambeth;
- to assist central and local government partners by lending the College's expertise to academies; and
- to provide necessary support to the international schools licensed by the College in the Far East.

Strategies to achieve the year's objectives

The Governors' strategies for achieving these objectives during the year have been:

- to monitor the academic achievements of the College and to engage with the Master and his colleagues on developments in the curriculum;
- to monitor the embedding of best practice in pastoral care and safeguarding;
- to monitor the financial performance of the College;
- to approve a budget for the year which balances expenditure (particularly proper rewards for staff, the need to fund the necessary works on the campus and the need for a surplus sufficient to support the SDP, including the Master Plan for the site) against the pressure that fee increases can put on some fee payers in the difficult economic climate;
- to build the Bursary Appeal Fund and thereby increase the College's bursary provision;
- to generate additional income through DCE's commercial activities and DCEO's overseas operations;
- to continue to upgrade the College's infrastructure and services identified as being a high priority, with a focus on Health and Safety and teaching and learning;
- to support the Master and his colleagues in their work with the local community;
- to build relationships with major players in the development of new initiatives in education; and
- to support the work being done by the Master and Deputy Master External to develop educational links with the local community of schools in Southwark and Lambeth, notably the Southwark Schools Learning Partnership (SSLP) and with our international schools.

Principal activities for the year

Education - The education of pupils in the broadest sense has been the principal activity during the year. In addition to its core academic activities the College has provided a wide range of sporting, musical, dramatic, artistic, supra-curricular¹ and co-curricular pursuits. The College has sought to attract pupils from a variety of backgrounds and has made grants in the form of bursaries to this end. The Educational Leadership Team (ELT) has maintained its programme of regular lesson observations and the checking of Schemes of Work of all academic departments and has provided extensive feedback. The College has led and contributed to a significant number of educational initiatives outside the College, both locally and more widely.

¹ supra-curricular is the exploration of a pupil's chosen subject through wider reading and other related activities beyond their GCSE and A Level curricula

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Principal activities for the year (continued)

Free Learning - The concept of Free Learning (learning beyond the curriculum) continues to be fully embedded in the life of the College, manifested most clearly in Dulwich Creative weeks. 2017-18's week, in November 2017, was Dulwich Political, whose aim was to encourage pupils to be thoughtful, informed and active citizens. Special guests and visiting speakers included actor Pip Utton with his thought-provoking performances exploring the psyches and wider motivations of Winston Churchill and Adolf Hitler; Lionel Barber OA, editor of The Financial Times; James Carson from The Telegraph, Angus Hanton (Intergenerational Foundation); artists Tinsel Edwards, Twinkle Troughton and Anita Kontrec, who produced artwork with the boys which encouraged them to express their opinions on social and political issues; as well as the Advocacy Academy and Amnesty International. Justin Webb from the BBC chaired a Question Time panel with Richard Angell (Progress), Lord Butler (Tory peer), Gail Kent (Lib Dem), Siobhan Bailie (Conservative). The charity MyStart, exhibited art works, films, zines and journal extracts created by young refugees from Kakuma camp in Kenya. The Master rounded off the week with the concluding talk of the three-part lecture series on Political Philosophy. Student and staff not only learned about the ideas of John Stuart Mill, but were challenged to be brave enough to debate ideas openly and resist the 'safe space' culture, while acknowledging that the 'harm principle' needs to be recognised. Several workshops, talks and debates were attended by pupils from The Charter School in Dulwich and James Allen's Girls' School (JAGS). Michael in Year 12 commented: "I really enjoyed hearing the contrasting and passionate opinions on the matters concerning our future as young adults." Further examples of Free Learning could be seen in the sixth Upper School Symposium (an off syllabus day for all Upper School boys and guests from partner SSLP schools) on the subject of Uncertainty, in the Junior School Symposium on Time with girls from JAPS (James Allen's Preparatory School), the now annual Free Learning days in the Junior, Middle and Lower Schools and the continued engagement of every boy in the Union of Societies.

This year four boys were awarded Confucius Institute Scholarships by the Chinese government, a Y12 pupil won second prize in the Erasmus Essay Competition, a Y11 pupil was shortlisted for the Orwell Youth Prize, another Y11 pupil was awarded a research Silver Crest Award, a Y10 French Horn player won a place in the National Youth Orchestra, a Y8 pupil won the Junior Section of the Iris Dyer Piano Prize at the Junior Royal Academy of Music and a Lower School pupil was a finalist at the BEBRAS Computational Thinking Challenge.

Other highlights include:

Music – at the Royal Festival Hall in February 2018, 500 performers from the three Foundation Schools performed Britten's War Requiem as part the Schools' commemoration of the 100 years anniversary of the conclusion of World War I. The Michaelmas half term Music Tour saw 30 string players perform in Bremen. This year also saw our first visit to St James's Church, Piccadilly for the relaunch of our Chamber Music programme, with 35 boys performing music from Telemann to Arnold.

Drama – Lower, Middle and Upper School productions included Roald Dahl's The Witches (a site-specific promenade production at the College's former boarding house, Bell House), Everyman (a contemporary re-working of the medieval morality play) and the Restoration comedy The Recruiting Officer. The latter two productions were staged with girls from James Allen's Girls' School.

Art – artists' works and talks are now central to students experience and the year's Free Learning activity in The Store and beyond included Resident Artist, Harrison Pearce's exhibition Interview (prototype), artist Anita Kontrec interactive sculpture "Houses and Dreams" with students projecting their own ideas and thoughts into and on the work, artist Tendayi Vine's and producer Amy Marchant's installation event responding to the history of The Store and its connection to water. In the inaugural talk of an SSLP History of Art lecture series at the Dulwich Picture Gallery the Arturo Melosi curator, Peter Kerber, talked about shifting landscapes in art and art education. IF_Do architects and a panel of experts shared a platform to discuss architectural practice and the new generation changing existing urban landscapes.

Sport – the 1st XV won the National Champions trophy beating Blundells at Allianz Park in the finals. We had two boys leave to full-time Rugby contracts with England 7's and Wasps respectively. All three College Water Polo Teams reached the National Finals. An Alleynian reached the Junior Athletics Individual Finals and four boys reached National Swimming Finals. A Y13 pupil represented England in the home Nations rowing regatta and gained a scholarship to Harvard. Over 1,000 boys represented the College in competitive fixtures in 2017-18.

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Principal activities for the year (continued)

Debating - Dulwich qualified to the finals of Cambridge, Oxford, UCL, Texas and the Mace and won at UCL where the pairs' team included a Y9 pupil. A Y13 pupil represented the England team in Zagreb in July 2018. The Dulwich Schools Competition continues to run successfully, attracting a wide range of competitors from both the state and independent sector.

CCF - Dulwich College CCF were the LONDIST Guthrie Cup competition winners 2017 (Army), Cadet Cambrian Patrol Competition silver medal winners 2018 (Army), LONDIST First Aid competition winners (2018), represented London at the National First Aid competition - and finished the top English CCF team - and were the LONDIST Shooting Champions (2018).

The Laboratory is now a fully integral part of daily life at the College, with its regular use for educational and community partnership activities. Designed to respond specifically to the needs of 'good learning' for the 21st century, the informatics suites, the laboratories, the James Caird Hall and the George Farha Auditorium have been continually well employed:

- **Science partnership events** such as the Ogden Trust Primary Science Day, Physics Partners, Stimulating Physics Network with the IOP and use by partner schools such as Bonus Pastor to enable Sixth Form science practicals and to teach their G&T (gifted and talented) students;
- **Mock Oxbridge interviews** are held in the labs and the **STEMshort lecture series** in the Auditorium. We also hosted the 2018 Weizmann UK Safecracking competition;
- An **MFL (Modern Foreign Languages) Conference** for primary and secondary (maintained and independent) teachers, a collaborative venture with City Heights E-ACT Academy, the College's educational partnership school;
- The weekly **Saturday School (Southwark Community Education Council) Year 6 Scheme** with its Science focus hosts 60 primary schools students for 18 Saturdays a year;
- A programme of **Free Learning lectures** to which educational partner schools are invited;
- **Art Exhibitions** with educational partnership schools;
- The **GE Moore Lecture Series**, part of the 400th anniversary celebrations - a series of evening lectures, which are open to the public and have been attended by hundreds of visitors;
- **Dulwich Literary Festival** - lectures and book readings by authors, open to the public, over a November weekend, in collaboration with the local independent book store, which welcomed over 1,350 visitors from the local and wider community;
- **The James Caird** - throughout the academic year, the College offers regular free visits by schools and researchers and interested members of the public to view the James Caird, Ernest Shackleton's rescue boat, housed in the James Caird Hall of The Laboratory.

Charities Act 2011 and public benefit

The Governors are cognisant of their responsibilities in providing public benefit. The College continues to demonstrate a significant number of areas of public benefit within its core charitable objective of conducting at Dulwich a day and boarding school for boys in which there is provided a practical, liberal and religious education. The identifiable benefits include the provision of means-tested bursaries, which totalled £3,111,000 in the year, the provision of subsidised access to College facilities for community and educational purposes to the value of £104,000, pupil fundraising for external charities to the value of £25,000 and a significant number of community and partnership activities involving current students and staff. The key elements of these activities and their relation to the College's educational and charitable mission are set out in the community activities section of this report.

OBJECT, AIMS, OBJECTIVES AND ACTIVITIES (continued)

Grant making policy

The College grants bursaries to provide financial support to parents whose sons have been awarded a place at the College but who cannot afford full tuition fees. Bursaries are funded by the College's Bursary Appeal Fund or by the income distributions from The Dulwich Estate. The bursaries granted, in addition to entry bursaries, include temporary help where there has been a family problem, such as the death of a parent. Generally the College will seek to support a boy, during the examination years in particular, when this happens.

College scholarships are awarded at entry points. These are largely academic but there are also scholarships for Sport, Music and Art. College scholarships are not means tested but a number of scholarships go to boys who would otherwise receive bursaries.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Operational performance

The extent to which the College achieves its aims cannot be measured by examination results alone. There is a range of indicators (not all measurable in quantitative terms) which show how well the College is providing an academic environment in which pupils acquire a good work ethos and a love of learning; an appropriate academic challenge which enables each pupil to realise their full potential; a wide range of activities through which pupils can develop a breadth of interests and learn to work co-operatively; a caring, supportive and well-ordered environment in which pupils from a variety of backgrounds can feel secure and equally valued and an ethos which encourages spiritual and personal development.

The main academic key performance indicators are the percentage of entries at A Level achieving grades A*, A or B and the percentage of entries at GCSE level achieving A*, A or B grades. The College aims to maintain at least 90% of entries at A Level achieving grades A*, A or B and 95% of entries at GCSE level achieving A*, A or B grades. These are demanding performance indicators given the large size of year groups at the College and the absence of less challenging subjects in the curriculum. In 2018 88% of entries achieved A*, A or B grades at A Level and 97% of entries at GCSE level achieved A*, A or B grades.

The percentages, compared with the percentages achieved in the previous four years, are set out in the table below.

	2014	2015	2016	2017	2018
Entries at A Level achieving A*	26%	32%	26%	31%	29%
Entries at A Level achieving A* or A	62%	63%	63%	64%	62%
Entries at A Level achieving A*, A or B	89%	86%	90%	87%	88%
Entries at GCSE achieving A*	55%	54%	55%	59%	57%
Entries at GCSE achieving A* or A	87%	86%	86%	88%	84%
Entries at GCSE achieving A*, A or B	98%	97%	98%	98%	97%

The College's financial performance is measured against the budget for the year through termly management accounts which compare actual and budgeted income and expenditure and which forecast the result for the year. The College's budget for the year includes income from its trading subsidiaries, DCE and DCEO and the performance of DCE and DCEO is continuously monitored. Governors are alerted quickly to any material variances from budget.

DULWICH COLLEGE

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 JULY 2018

ACHIEVEMENTS AND PERFORMANCE (continued)

Operational performance (continued)

Apart from the main academic performance indicators, the performance of the College is also measured using a number of other indicators, which are based on on-going assessment of the College's educational and charitable objectives and financial constraints. The table below compares performance in the year under review with performance in the previous four years (all the indicators exclude the DUCKS kindergarten).

	2014	2015	2016	2017	2018
Pupil numbers	1,664	1,703	1,751	1,736	1,756
Fee increases	4.75%	5.75%	4.75%	3.75%	3.95%
Day/boarding split	12.2:1	12.1:1	12.6:1	12.7:1	13.2:1
Pupil/teacher ratio	9.2:1	9.4:1	9.3:1	9.0:1	8.9:1
Average direct teaching cost per teacher	£89,000	£93,000	£94,000	£100,000	£102,000

In the year under review, as well as delivering £790,000 (2017: £1,847,000) of specific minor buildings projects, the College invested £606,000 to connect the two separate boarding buildings on the north of the South Circular, £2,899,000 on Barry Buildings external works and £7,663,000 on Barry Buildings internal works. The connecting link between Orchard and Old Blew House and the new Common Room was completed at the beginning of the year under review and has significantly improved boarding facilities and the cohesion of this boarding house. Refurbishment of the exterior of the Barry Buildings was completed just after the end of the year. These works were essential to make the masonry and terracotta safe and to ensure the fabric of the building was refurbished and fit for use for future generations. The Barry Building internal refurbishment work was also completed after the end of the year. This provides thoroughly modernised classrooms and a new Language Laboratory for MFL, which beautifully maintains the heritage of the original classrooms in a modern environment providing the very best facilities for teaching.

As well as the investment in major capital projects, a 10-year maintenance plan is in place to ensure a budgeted schedule of progressive maintenance and upgrades to buildings and facilities over the coming years. A condition survey has been completed to determine and plan for the investment required over the next 50 years to maintain the College buildings.

Significant investment continues to be made into the development of the IT network and infrastructure, bringing all the College's extensive and complex systems up to a high quality, modern standard. Further upgrades are required to bring equipment replacement cycles up to the industry standard. The extent of modernisation and the breadth of the College's vision for IT in support of teaching and learning has been recognised in the award of Microsoft Showcase School status, one of only a very few UK independent schools to win this award.

More information about the College's performance, with appropriate statistics, is published annually in the Master's report. Copies of this report are available on the College website at www.dulwich.org.uk.

The Governors believe that the College's good performance during the year was the result of a number of factors including the excellence of the teaching provided by the teaching staff, the support provided by the operational staff and the initiative and energy shown by the Master and his management team. The income distribution by The Dulwich Estate continues to support the College's charitable objects. All of it is used to fund the majority of means-tested bursaries at the College and is most welcome.

DULWICH COLLEGE**REPORT OF THE GOVERNORS (continued)****YEAR ENDED 31 JULY 2018****ACHIEVEMENTS AND PERFORMANCE (continued)****Bursaries**

The Governors pay particular attention to the College's means-tested bursary provision. The table below shows the main indicators used to measure performance.

	2014	2015	2016	2017	2018
Total number of bursaries	158	153	165	162	175
Number of 100% bursaries	19	28	36	44	64
Number of 75% to 100% bursaries	68	77	94	106	126
Percentage of boys in Year 7 and above receiving bursaries	11.8%	11.2%	11.5%	11.4%	12.3%
Bursaries as a % of gross fees in Year 7 and above	7.3%	7.5%	7.9%	8.4%	9.2%
Scholarships provided to boys with bursaries as a % of gross fees in Year 7 and above	0.6%	0.6%	0.4%	0.4%	0.5%
Total bursaries and related scholarships as a % of gross fees in Year 7 and above	7.9%	8.1%	8.3%	8.8%	9.7%
Total bursaries and related scholarships as a % of total gross fees	7.1%	7.4%	7.8%	8.0%	8.7%

Value of bursaries (see Note 2a) to the financial statements on page 31):

Bursaries funded from general funds	£1,630,000	£1,845,000	£2,105,000	£2,262,000	£2,565,000
Scholarships provided to boys with bursaries	<u>£150,000</u>	<u>£162,000</u>	<u>£120,000</u>	<u>£118,000</u>	<u>£150,000</u>
Total bursaries funded by the College from general funds	£1,780,000	£2,007,000	£2,225,000	£2,380,000	£2,715,000
Bursaries funded by the Bursary Appeal Fund	<u>£238,000</u>	<u>£244,000</u>	<u>£310,000</u>	<u>£357,000</u>	<u>£396,000</u>
Total value of bursaries	<u>£2,018,000</u>	<u>£2,251,000</u>	<u>£2,535,000</u>	<u>£2,737,000</u>	<u>£3,111,000</u>

The totals of bursaries include scholarships provided to boys with bursaries on the basis that if they hadn't been awarded scholarships, then they would have received bursaries instead.

The College aims to promote open access and therefore welcomes increases in the numbers of bursary holders and the value of bursaries provided year by year. The 175 bursaries provided during the year enabled boys whose parents could not otherwise afford to send them to the College to take advantage of its education. Bursaries are funded either from the College's Bursary Appeal Fund or from the income distributions from The Dulwich Estate. Since its inception the Bursary Appeal Fund has contributed a total of £3,390,000 towards bursaries awarded at the College.

During the year a total of 533 bursaries and scholarships were provided amongst 469 boys. Some 32.5% (2017: 30.6%) of boys in Year 7 and above received assistance with fees from bursaries and scholarships. The total value of bursaries, scholarships and prizes amounted to £4,078,000 (2017: £3,650,000) and represented 11.5% (2017: 10.8%) of gross fees for the year.

ACHIEVEMENTS AND PERFORMANCE (continued)

Community activities

Strategy and rationale

Community partnership initiatives are a key component of the College's Strategic Development Plan 2010 - 2019 and are strongly supported by the College's Leadership Team and governing body. The College's partnership work is overseen by the Deputy Master External, in conjunction with a Partnership Officer and, since April 2018, a Local Partnerships Coordinator.

The following partnership initiatives were valued elements of the strategy in 2017-18.

Southwark Schools' Learning Partnership (SSLP)

The SSLP is a long-standing collaboration between local schools, in which the College plays a significant part. In 2017-18 the scheme involved 15 schools, the three Foundation Schools and 12 from the maintained sector - an increase from 10 in the previous year and a geographical expansion over borough boundaries to reach isolated schools in Lambeth and Westminster. The partnership promotes a variety of projects for students and joint Continuing Professional Development (CPD) for staff. All SSLP schools nominate a staff member who acts as the main link for SSLP. With the Master as co-director, Dulwich College provides Leadership as well as projects for member schools. The College's appointment of a Local Partnership Coordinator with 60 days dedicated time for the SSLP has greatly enhanced the Partnership's impact.

SSLP activities run by Dulwich College staff this year were varied across many different disciplines. The Art department arranged an evening History of Art Lecture at the Dulwich Picture Gallery for students, parents and teachers; a two-day sculpture workshop for sixth form students at Bell House community space and a Creative Hub for art and design teachers which will continue to meet termly. The Humanities department organised an open lecture about African and Arabian climate change, facilitated a political geographer talking about technology, cultural mobility and warfare, and organised a University Taster Day with lecture and practical sessions. The Science department organised termly STEM lectures for students, hosted a Stimulating Physics Network CPD Day for teachers and technicians and we opened the Upper School Symposium to pupils from SSLP Schools.

The College also introduced the SSLP to the Stuart Horne Foundation, allowing three students from SSLP schools to attend three-week outward bound leadership courses in Canada.

The SSLP has been described as "One of the most significant schools partnerships operating in England" by Lord Agnew, Parliamentary Under Secretary of State for the school system.

Southwark Community Educational Charity (SCEC)

The SCEC (known as 'Saturday School'), is a registered charity which operates three schemes of enrichment classes at the Dulwich Foundation schools exclusively for pupils at twelve Southwark primary schools. The participating primary schools are: Bessemer Grange, Dog Kennel Hill, Dulwich Wood, Goose Green, Heber, Ivydale, Rye Oak, St Anthony's RC, St Francesca Cabrini, St John's RC in Rotherhithe, St John's & St Clement's and St Joseph RC. In 2017 the scheme held at Dulwich College for year-six children became science focused, it aims to provide an enjoyable introduction to practical science and to build pupils' confidence before they enter secondary school. In 2017 60 children, 26% of whom were on Pupil Premium, attended two-hour sessions on Saturday mornings exploring some of the fundamentals of Biology, Chemistry and Physics through practical experiments.

The College provides facilities, equipment, refreshments and a fully trained member of staff to oversee the programme every Saturday morning. Twenty volunteer mentors from years 12 and 13 support individual pupils in the classroom, carry out administrative tasks and supervision, and act as role models. The College also provides all three schemes with gratis legal support, administrative support of one day per week and payroll services.

ACHIEVEMENTS AND PERFORMANCE (continued)

Community activities (continued)

Educational Partnership with City Heights E-ACT Academy (CHEA) in Tulse Hill

Dulwich College has acted as an educational partner to the Academy since its opening in September 2013. The College aims to provide support for its educational work and to establish links and activities that benefit both schools through shared experience and good practice. The campuses of Dulwich College and City Heights are just two kilometres apart, which supports regular interactions between staff and students.

Support for the Academy has taken place in the following areas:

- The Deputy Master External is a trustee of E-ACT Multi-Academy Trust. For this year he also chaired CHEA's Academy Ambassadorial Group, celebrating students' achievements, developing links with the community and resolving concerns and complaints. His overall commitment to E-ACT amounts to approximately 25 days each year.
- Dulwich College staff provide maths extension and Further Maths GCSE, and one session per week Art liberal studies, as well as interim art evaluation and development visits.
- Year 10 and 11 students at the College act as reading mentors for Years 7 and 8 at CHEA and Mathematics mentors for year 7 and year 10 gifted and talented students.
- Dulwich College hosted an MFL Language Conference for state and independent schools on behalf of CHEA and provided weekly Year 10 Mandarin tuition for the HSK Chinese Proficiency Exam and Spanish oral tuition.
- Joint CPD opportunities are overseen by the College's Staff Tutor, providing two-way lesson observation for ideas, inspiration and peer support.
- The College's Careers department shares professional contacts and provides a consultancy service for CHEA staff and pupils, including a year 11 students' talk for post-16 options.
- Dulwich College welcomed students from CHEA, which has a Modern Foreign Languages specialism, to the Dulwich College International Day, to a joint athletics day and to Founder's day where CHEA students performed Portuguese poetry, dance and drama.
- A year 13 leaver with an interest in teaching was successfully interviewed for the gap-year position of Academy Assistant.

School Centered Initial Teacher Training (SCITT)

The Deputy Master Academic and the Director of Modern Foreign Languages have been instrumental in developing the National MFL SCITT in partnership with Silverdale School and Sheffield Hallam University. Two SCITT trainees embarked on their training at the College in September 2017 and completed their placements at Bonus Pastor Catholic College, Bromley and Thomas More Catholic School, Purley. Both have taken up full time teaching posts after graduating from the scheme.

The College will also be working with Wycombe High School in High Wycombe to deliver the National Maths and Physics SCITT in 2018-19.

Community Action

Pupils' involvement in Community Action has a significant profile within Dulwich College and is recognised in the award of Community Action Ties and in the award of College Colours as a requirement of the Dulwich Diploma conferred to pupils in Year 13. Community Action refers to volunteering and fundraising activities.

234 students took part in 17 different activities in 2017-18, supported by approximately 20 members of staff. Volunteering weekly or fortnightly allows Dulwich College pupils in Years 10 to 13 to learn new skills during their lunch break or after school for two terms a year.

ACHIEVEMENTS AND PERFORMANCE (continued)

Community activities (continued)

The twelve external projects were:

- Brixton and West Norwood Foodbank;
- Reading mentors at Dulwich Hamlet Junior School;
- Reading & chess club mentors at Dulwich Wood Primary School;
- Rosendale Beavers and Scouts;
- Streatham Wells after school club;
- Aspire Wellbeing day care centre in West Dulwich;
- Athol House Leonard Cheshire care home;
- City Heights E-ACT Academy reading mentors;
- German after school club at Judith Kerr primary school;
- IT Support at Kingswood Community Shop;
- Gardening in Dulwich Park;
- Ebony Horse Club.

There are five Charity Co-ordinators at Dulwich College. The pupils choose a charity for the term and then organise fundraising activities themselves. In 2017-18 they organised one event and one sacrifice per term and reached their £30,000 target, with the charities supported being King's College Hospital Critical Care Unit, World Child Cancer, Angus McDonald Trust, AFFCAD and Tackle Africa.

Enrichment Partnership Activity

Dulwich College has a range of important partnerships which support raising aspirations in our own and partner schools. The College welcomes advances from local state schools at Primary and Secondary level for one-off and regular engagements.

During the early UCAS application period staff provided 22 mock interviews or personal statement reviews for those applying to Oxbridge or for Medicine from the maintained sector, including from Charter School, Elmgreen, Greensward Academy, Norwood School and St Thomas Apostle College. College tutors advise the Mark Evison Foundation on the viability of project applications to their award scheme.

Students from **The Charter School North Dulwich** received French GCSE Oral tuition and those in Year 9 and the sixth form conduct social history projects using documents within the College Archive, including the Henslowe-Alleyn papers. A joint Creative Writing Workshop and termly meetings bring together teachers and students from both schools to share their love of writing.

Bonus Pastor Catholic College gifted and talented students in Years 9 and 10 attended workshops to explore extra-curricular science concepts, to increase their confidence in STEM subjects. Twenty Year 11 **Elmgreen School** students received Maths revision sessions moving them from grade 6 to 7.

The **Science** facilities and expertise at Dulwich College are used to support local schools setting up A Levels, to learn how to deliver and mark CPAC practicals and to complete practical elements of their courses. A liberal studies roadshow was taken to eight primary schools to increase students' interest in science. Students from Harris Academy Greenwich, Haberdashers' Aske's Federation, Oasis Shirley Bank and Norbury Manor Girls have all used the facilities to complete practical elements of their A Levels. The Astro Academy, Ogden Trust, STEMgirls Club, Stimulating Physics Network, STEMnet Triple Science Network and Physics Partners have all used the facilities at Dulwich College to offer science training to teachers or specific groups of students.

Dulwich College **Language** Department has provided a range of online teaching resources; including 100+ YouTube audio-visual aids to support the teaching of German at GCSE and A Level. Through collaboration with the Jules Verne scheme, Dulwich College facilitated the placement of a language teacher for St Saviour's & St Olave's, a Chinese teacher at Kingsdale Foundation School and Arabic teaching for students at The Charter School North Dulwich.

ACHIEVEMENTS AND PERFORMANCE (continued)

Community activities (continued)

The **Sport** Department hosted a primary schools' swimming gala with 140 pupils from local schools; and a swimming gala for students with disabilities. The Southwark schools' athletics day, the Overload Football tournament and the Gypsy Hill Foundation athletics day were hosted at Dulwich College.

Dulwich College musicians perform for members of the local community in free lunchtime concerts held at Christ's Chapel; there were seven Wednesday concerts spread over two-terms. The Brass Consort performed for a local primary school for children with severe learning difficulties.

Community access to Facilities

The purpose-built Laboratory contains a lecture theatre that serves as a hub for community activities, such as hosting the **GE Moore Lecture Series** of evening lectures. This was a series of 12 lectures which concluded in October 2018, each reflected on an aspect of the College's life and 400-year history.

Dulwich College is the official partner of the **Dulwich Literary Festival** sponsored by Dulwich Books and affords the festival free use of all its public spaces for one weekend in November. The festival attracts over 1,000 people and discounted tickets are made available to students in our partner schools.

The **Art** department regularly hosts exhibitions that are open to members of the local community. For example *Kýma*, a site specific audio-visual installation by Chelsea College of Art, and the Artists-in-residence Programme featuring Harrison Pearce – *Conflicting Forces of Desire and Menace* by Richard Dormant which included talks, lectures and evening events.

The College's **James Caird** forms part of the Key Stage 2 curriculum for Southwark primary schools and between September 2017 and June 2018 forty-four classes from 25 local schools were given a tour of the Archive by College staff. The Archives also hosted tours for nine other groups including an Alex Scarfe masterclass and the Friends of the Rose Theatre. Researchers are able to consult the archive free of charge on Wednesdays in term time, this year 90 researchers were hosted and a further 197 queries were answered by telephone, email or letter.

Dulwich College provides facilities and staff for the 25th Camberwell Scouts and Dulwich Explorers, comprising 15 cubs, 75 scouts and 55 explorers. All are a mix of boys and girls from the local community. The provision of premises, minibuses, marketing support and printing has an annual budget of £1,000.

As an active member of the local community, the College permits the use of its facilities by charitable, local or community-based organisations at reduced rates. Every year Dulwich College provides almost £100,000 worth of lettings on the campus gratis or at charitable rates. Over the last twelve months, the following organisations and events have benefitted: Big Bad Bike Ride – Harrison's Fund bike ride in aid of Duchenne Muscular Dystrophy; British Horn Society; Challenge Graduation; Charisma Gymnastics Summer Awards; Charities Property Association and AGM and lunch; Christmas lunch for the residents of Dulwich Almshouses; Concordia Chamber Choir Rehearsals; Dulwich Chamber Choir Rehearsals and concert; Dulwich Club dinner; Dulwich Festival talks; Kent Junior Chess Association; Link Age Gala dinner; Make Positive Cricket; Media launch for Antarctica Endurance; Multi-Story Orchestra rehearsals; National Children's Choir Auditions; Pilgrims Way 50th celebration, Polling station and Quizzes for St Christopher's Hospice and Kingfishers KCH Kids. The College also donated 65 desks to Trinity Hope Centre of Trinity Baptist Church.

Staff voluntary and trustee work

The College Leadership Team strongly supports the involvement in voluntary work in the educational sector as a fundamental part of its charitable mission. The equivalent of 1.43 full-time teachers were seconded to community activities in 2017/18.

DULWICH COLLEGE

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 JULY 2018

ACHIEVEMENTS AND PERFORMANCE (continued)

Community activities (continued)

The voluntary school governance and trustee work undertaken by members of staff, including senior leaders, enriches educational outcomes through shared learning and skills in different environments. The Master is a trustee of the Blackbird Academy Trust, the Mark Evison Trust and the Art Room. The Deputy Master External is a Trustee of E-ACT Multi Academy Trust, Trinity Academy, Brixton and the Southwark Community Educational Charity with the Head of Junior School.

Other College staff are governors/trustees of the following schools and educational charities: Arts Educational Schools, Chiswick; Collège Français Bilingue de Londres; Dulwich Hamlet Educational Trust; Judith Kerr Primary School, Herne Hill and St Edmund's School, Hindhead.

The Director of Drama sits on Shakespeare's Globe Council and is Vice-Chair of the Rose Theatre Trust. The Head of Academic Drama is Artistic Director and Associated Producer of Young Pleasance and a trustee for the Arts Educational Schools London. The Director of MFL is a trustee of Speak to the Future and the Chartered Institute of Linguists. He is also vice-chair of the London Branch of the Association of Language Learning, the maintained school liaison for the Robert Taylor Society and provides strategic advice to the Confucius Institute of Business, London.

One staff member acts as a team manager for the Southwark boys' athletics teams at the London Schools' Athletics championships.

Commercial activities

The commercial activities of the College are operated through its wholly owned trading subsidiaries, DCE and DCEO. DCE manages the College's UK commercial activities. DCEO manages the College's overseas commercial interests.

There are a number of separate departments within DCE: Events (which lets out College facilities), the Commissariat (the school shop), the Sports Club, the Outdoor Centre and the Foundation Coach Service.

The overseas business of DCEO involves the licensing of the College's name and intellectual property to DCMI, which runs international schools in China (Shanghai, Beijing and Suzhou), South Korea (Seoul), Singapore and Myanmar. Besides these schools, DCMI also operates two Dulwich High Schools in China for Chinese students. The two High Schools work in partnership with established Chinese schools: Suzhou High School and Yung Wing School in Zhuhai. The opening of the second campus in Shanghai (Puxi), was delayed until 2017 and work also continued in Myanmar to open the second, Star City, campus in Yangon in September 2017. At the same time, extensive work was carried out to establish a sister school in Shanghai Puxi, delivering a new Chinese curriculum in an all-through Chinese school, known as Dehong, opening to new students in September 2017.

The overseas business generates an income from royalty fees based on a proportional share of the international schools' total fee income, excluding the two high schools, a per pupil per term fee for the high schools and a fixed annual fee for each school. The arrangements are governed by a World Charter signed in August 2014.

FINANCIAL REVIEW

The accounts for the year reflect the income generated and the expenditure incurred by the College and its subsidiary companies in the year.

General fund income increased from £40.6 million to £42.9 million, reflecting an increase in pupil numbers and a 3.95% increase in tuition fees from September 2017. General fund expenditure increased from £36.5 million to £38.0 million, reflecting an increase in staff costs of 4.7% from £25.2 million to £26.4 million, which incorporated a minimum pay award of 2.0% from September 2017 for all permanent staff. As a result, the surplus before transfers on the general fund increased by £839,000 to £4,847,000.

Total income decreased from £45.7 million to £44.4 million, including the capital endowment distribution from The Dulwich Estate of £3.6 million in the previous year. Excluding the capital endowment distribution, total income increased from £42.1 million to £44.4 million, reflecting the £2.3 million increase in general fund income. The College had total net incoming resources of £2,758,000, which was £3,490,000 below the previous year. Excluding the capital endowment distribution, however, net incoming resources increased by £108,000 from £2,650,000 to £2,758,000, reflecting the increase of £2.3 million in total income excluding the capital endowment distribution, the £1.5 million increase in general fund expenditure and a £0.7 million increase in endowment fund depreciation as a result of the Laboratory coming into use. The net incoming resources contributed to the funding of £12.7 million of capital expenditure in the year.

Governors are particularly grateful to The Dulwich Estate for the annual income distribution of £2.8 million for means-tested bursaries, which helps widen access at the College. During the year the College, through its subsidiary DCEO, received a loan of £5 million from DCMI, which is being used to help fund major capital projects.

Generally, the Governors believe that the College is in a strong financial position to meet its future plans and commitments. The Masterplan for the site in particular is modular in nature and individual projects can be rescheduled or deferred if money is not available in later years.

The net assets of the College are financed by the endowment fund, by other restricted funds and by unrestricted funds which have accumulated over the years in line with the College's policy of generating a modest surplus from its operations each year to fund on-going capital developments. The total funds of the College have increased in the year from £68.4 million to £75.6 million. This reflects the net incoming resources of £2.8 million, gains on investments of £1.6 million and an actuarial gain on the pension scheme of £2.8 million.

The movement in fixed assets during the year is shown in note 10 to the financial statements on pages 36 to 37.

The Governors are satisfied with the current and ongoing financial position of the College.

Asset cover for Funds

Note 19 to the financial statements on pages 42 to 46 sets out an analysis of the College's assets attributable to the various funds. These assets are sufficient to meet the College's obligations on a fund by fund basis.

Reserves Policy

Details of the funds and the movements on them in the year are shown in note 19 to the financial statements on pages 42 to 46.

Free reserves are defined by the Charity Commission as total funds less endowment, restricted and designated funds, pension reserves and unrestricted funds which could only be realised by disposing of tangible fixed assets. At 31 July 2018 the College had unrestricted funds of £0.3 million (excluding designated funds and pension deficit). Taking into account the operational fixed assets (net of related loans) of £4.1 million, it had negative free reserves of £3.8 million. This is consistent with previous years and Governors regard the reserves position as appropriate in view of the College's SDP and, in particular, the Masterplan for the site.

The Masterplan for the site sets out projects over the years leading up to the College's 400th anniversary in 2019 and beyond, as necessary. Whilst the College does not currently have the resources required to fulfil the entire plan it is aiming to generate and acquire such resources during the period of the plan.

FINANCIAL REVIEW (continued)

A major use of additional unrestricted funds generated over the period of the Masterplan will be to provide funds for the new projects. These funds will not increase the level of free reserves of the College as they will be primarily represented by fixed assets. In addition, it is expected that the timing of the funds generated will match the timing of the capital expenditure; thus leaving minimal additional free reserves at any stage over this period.

The Governors believe that the College is able to operate with a deficit on free reserves and wish to continue expanding the facilities of the College through increasing surpluses. In assessing the viability of the College's financial plans and strategies the Governors consider more appropriate indicators such as cash flow and working capital requirements and the impact on operating surpluses.

The College participates in a defined benefit pension scheme administered by the London Pensions Partnership, which at the balance sheet date showed a deficit of £12.1 million (2017: £13.7 million). The Governors note this deficit, which is further analysed in note 20 to the financial statements on pages 47 to 49. The College closed the Scheme to new members on 31 July 2010. The Governors are aware that the deficit on the scheme will fluctuate with changing market conditions and that their responsibility is to meet the required contribution rates, which are built into the annual budgetary processes of the College. They do not consider this deficit to represent an immediate demand on the College's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds. The restricted income funds have limitations that mean that they cannot be used to contribute towards any additional resource requirements of the College's unrestricted funds arising from the pension scheme deficit.

The College's major restricted and designated funds comprise the Dulwich College Awards Fund and the Bursary Appeal Fund. The income arising on these funds is applied to bursaries, scholarships and other awards in line with the College's grant making policy described on page 8.

This policy is monitored by the College's Finance Committee and reviewed annually. In particular the policy will be re-evaluated if additional free reserves become available.

Dulwich College Enterprises Limited and Dulwich College Enterprises Overseas Limited

DCE and DCEO are wholly owned subsidiaries of the College, responsible for non-charitable operations. The results of DCE and DCEO are consolidated in the financial statements of the College set out on pages 23 to 52.

During the year under review DCE returned £612,000 (2017: £616,000) to the College and DCEO returned £1,563,000 (2017: £1,349,000), including rent, management charge and royalties.

Investment Policy

The majority of the College's investments are held in the Dulwich College Investment Fund (DCIF), a fund managed by investment managers on behalf of the College. The investment managers during the year were BlackRock Investment Management (UK) Limited (BIML) and Veritas Investment Management (Veritas), BIML managing approximately 60% of the fund and Veritas 40%.

The College also has a small holding in an agricultural unit trust held in the Dulwich Schools Common Investment Fund (DSCIF), a pooled fund managed by Baring Asset Management Limited on behalf of the College, Alleyn's School and James Allen's Girls' School. DSCIF and its corporate trustee, Dulwich Services Limited, will be wound up once the future of this holding has been resolved.

Most of the College's investments held outside DCIF and DSCIF are invested in funds managed by the investment managers of COIF, CAF, Charinco and Charishare, apart from £2,189,000 of Bursary Appeal Fund investments under the discretionary management of Ruffer LLP (Ruffer), a fund manager with an absolute return approach to investment, thus diversifying the risk inherent in the College's portfolio.

FINANCIAL REVIEW (continued)

Investment policy (continued)

Other than the funds under the management of Ruffer, the funds in the Bursary Appeal Fund and the Dulwich College Awards Fund are held in regulated collective investment schemes. New money, other than that which may be allocated to Ruffer, is usually invested in the ratio 70:30 in schemes mainly invested in equities and funds invested in fixed interest securities respectively, although the Governors may vary this split if they deem it in the interests of the College to do so. The overall objective is to maximise the income return from the sums so invested whilst maintaining the real value of the capital. The balance of investments is also assessed with a view to limiting potential volatility. The Governors believe that this gives the liquidity and certainty of income needed to fund bursaries and scholarships as they fall due, with the prospect of capital growth.

At the beginning of the year, the part of the DCIF managed by BIML was split into two portfolios, with one providing security of £6.8million to the London Pension Partnership in respect of the College's Local Government Pension Scheme funding deficit.

During the year Governors have carried out a review of their investment strategy. As a result changes have been made to the College's investment policy from 1 August 2018, including a move to a total return approach to investments held in the DCIF.

Investment performance

For the period to 31 July 2018 the Governors had approved investment guidelines, including asset allocation, for the Dulwich College Investment Fund (DCIF). To reflect these guidelines, the performance benchmark for that part of DCIF managed by BIML was: 70% FTSE All-Share Index; 22.5% FTSE Govt. All Stocks Index and 7.5% Merrill Lynch Euro Sterling Fund. The performance benchmark for that part of DCIF managed by Veritas was: 90% MSCI World Equities and 10% FTSE Govt. All Stocks Index. Currently the Governors have not imposed any restriction on the type of sector or individual companies in which DCIF may invest. An income target is set annually.

The College's investment objectives for DCIF were to maximise investment income while at least maintaining the value of the fund in real terms.

In the 12 months to 31 July 2018 the investments of DCIF under the management of BIML had a total return of 6.8% against a benchmark return of 6.7% for the main portfolio and a total return of 7.8% against a benchmark return of 5.7% for the pension security portfolio. The investments of DCIF under the management of Veritas had a total return of 9.9% against a benchmark return of 11.3%. The investments under the management of Ruffer had a total return of 3.4%. Since Ruffer follow an absolute return approach, focused on the preservation of capital and with a long-term focus, the portfolio is necessarily unbenchmarked.

Risk Management

The Master and the College Leadership Team review risk to the College through regular review of a comprehensive risk assessment document, which identifies the major risks to which the College is exposed, the likelihood of the risks occurring and the impact they would have on the College.

The Governors consider the major risks facing the College to be: major child protection issues; cashflow sensitivities; budgetary control and financial reporting; non-compliance with law and/or regulatory requirements; a major adverse change in parent or public perception of the College; and any inability to operate due to health, safety and environment issues, serious fraud or error, the fulfilment of contracts for major projects, unsatisfactory returns from fundraising and the inability to borrow or service borrowing. The Governors have identified and monitor on-going controls to mitigate the risks and specific actions to be taken in each year.

The key controls in response to these major risks include: an appropriate recruitment policy (including staff vetting), staff code of conduct, safeguarding policy and whistleblowing policy; staff training; segregation of duties with appropriate delegation of budgetary responsibility and expenditure authorisation procedures; an appropriate governance structure; appropriate skills amongst Governors and the College Leadership Team; rigorous forecasting with decisions about budgets and major projects based on the impact on the forecasts; monitoring of management accounts and key performance indicators; benchmarking; use of

FINANCIAL REVIEW (continued)

Risk management (continued)

professional advice; obtaining regular feedback from parents and pupils; effective communications with stakeholders and health and safety monitoring and reporting.

As part of the Governors' annual review, the risk assessment document was presented to the Governors for their review and approval in November 2017. This was followed in the Summer term 2018 by a report to the Finance Committee on implementation and confirmation from the Chief Operating Officer that the College Leadership Team believed that the College's risk management controls were appropriate and effective.

With the requirements of General Data Protection Regulation (GDPR) coming into effect in May 2018, the Governors have taken appropriate action to ensure that the College's policies and practices around data management have been updated to reflect the new regime.

FUTURE PLANS

The College has continued to deliver against the Strategic Development Plan launched in 2010 and reviewed and updated by the College Leadership Team in 2018. This included a review of progress against budget and planned timescales and determined the major actions arising for the College as it approaches its 400th anniversary and, equally importantly, for the period beyond 2019.

The **educational focus** of the work will continue to be structured around three elements:

• **the Primacy of the Classroom within a holistic and creative education;**

The Master and Governors believe that a Dulwich education is based on the provision of a breadth and balance of opportunities for all pupils, in and beyond the classroom, which includes an engagement with Free Learning, the promotion of creativity and the affording of opportunities for pupils to have a say in the exploration and development of educational initiatives. The provision of stimulating teaching and learning is the priority alongside researching how best boys can be educated in a single sex environment, while preparing them for the world of gender equality. The work of the Wellbeing programme will continue to support pupils and staff across the College.

• **preparation for life after Dulwich;**

Pupils will engage in thinking about their futures from an early age, supported by the Careers department and their tutors. Dulwich's international dimension, stimulated by our strong partnerships with the schools of Dulwich College International and our links with other schools and organisations abroad, is significant to the preparation of pupils for life after school.

• **benefiting the community (which includes a determination to extend access to the benefits of a Dulwich education);**

The College is a community in itself and has responsibilities beyond its gates to the wider local community, which can be seen in the College's increasingly strong educational partnerships. There is a clear commitment throughout all elements of the College community, ahead of the 400th anniversary in 2019, to sponsor a 'New Dulwich Experiment' to ensure easier and greater access to the College for pupils whose families would not otherwise be able to afford a Dulwich education. Opportunities for engagement with projects for the public benefit will be developed throughout the College, with many initiatives introduced, led and accomplished by the pupils.

During the year there has been a focus on creating a programme of events and activities for Alleynians, Old Alleynians and the wider Dulwich community to commemorate the quatercentenary of Dulwich College and its outline was published in June 2018. Showcase events planned include: the hosting of the **Dulwich Olympiad 2019** with students from DCI schools; a commemorative service at **St Paul's Cathedral**; and **Founder's Festival Week** with the unveiling of a 400th anniversary stained glass window.

The implementation of the 2011 architectural Masterplan from John McAslan + Partners (and further developed with a Supplement to the Masterplan by Grimshaw & Partners) to create a campus for the College's current and future needs has continued with the completion of the refurbishment of the Grade II* listed Barry Buildings, transforming the teaching and learning environment with classrooms, offices and corridors as befitting the College's reputation for academic excellence.

DULWICH COLLEGE

REPORT OF THE GOVERNORS (continued)

YEAR ENDED 31 JULY 2018

FUTURE PLANS (continued)

Following the planting of Lime Tree Walk and the establishing of the memorial Garden, work on the landscape is underway and will continue throughout 2018-19 to enhance the physical environment.

In addition, work in admissions, communications and marketing focuses on building the College's reputation and to ensure the most able boys and their families are attracted to all the College has to offer.

The drive towards improving the chances of access to Dulwich College for pupils from less affluent families will be seen in the continued implementation of the fundraising strategy - with an emphasis on the Bursary Appeal Fund - led by the Master and Director of Development; by maximising revenue generation from the commercial hire of the College facilities in support of its educational aims; and through DCEO and DCMI, where we are creating the best of British education overseas, enhancing the Dulwich brand worldwide and securing a substantial and reliable annual income to support Alleynians now and in the future.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Report of the Governors (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Laws applicable to charities in England and Wales require the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the profit or loss of the College for that year. In preparing those financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principles of the charities Statement of Recommended Practice;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the College will continue in business.

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

So far as each of the Governors is aware at the time the report is approved:

- there is no relevant audit information of which the College's auditors are unaware; and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution proposing the re-appointment of haysmacintyre was approved by the Governors at their meeting on 29 November 2018.

In approving the Report of the Governors, the Governors are also approving the Strategic Report included herein in their capacity as company directors.

Approved by the Governors on 29 November 2018 and signed on their behalf by:



P J R Riddell
Chairman

Opinion

We have audited the financial statements of Dulwich College for the year ended 31 July 2018 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 July 2018 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Governors (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Governors (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Use of our report

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



Richard Weaver, Senior Statutory Auditor
For and on behalf of, haysmacintyre
Statutory Auditors

29 November 2018

10 Queen Street Place
London
EC4R 1AG

DULWICH COLLEGE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an income and expenditure account)

YEAR ENDED 31 JULY 2018

	Notes	Unrestricted Funds School £	Other £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
INCOME AND ENDOWMENTS FROM:							
Charitable activities							
Fees receivable	2	35,309,253	-	-	-	35,309,253	33,512,540
Grants, awards and prizes	2	(3,590,149)	-	-	-	(3,590,141)	(3,207,111)
Net fees receivable		31,719,112	-	-	-	31,719,112	30,305,429
Catering income		1,560,591	-	-	-	1,560,591	1,518,124
Other income	3	1,207,046	-	-	-	1,207,046	1,130,865
Other trading income							
Lettings, events and sports club income		1,641,148	-	-	-	1,641,148	1,666,216
Transport and Commissariat income		1,452,887	-	-	-	1,452,887	1,307,225
International schools income		1,851,549	-	-	-	1,851,549	1,422,578
Voluntary income							
The Dulwich Estate distributions	4	2,765,784	-	-	-	2,765,784	5,993,838
Donations received		132,570	-	767,561	444,051	1,344,182	1,405,898
Investments							
Listed investments	5	513,787	-	332,331	-	846,118	887,390
Bank and other interest		47,136	-	2,646	-	49,782	44,439
Total income and endowments		42,891,610	-	1,102,538	444,051	44,438,199	45,682,002
EXPENDITURE ON:							
Raising funds							
Lettings, events and sports club costs		1,313,292	-	-	-	1,313,292	1,244,768
Transport and commissariat costs		1,503,362	-	-	-	1,503,362	1,355,118
International schools costs		102,136	-	-	-	102,136	83,681
Fundraising costs		462,776	-	-	-	462,776	415,140
Finance costs	8	564,378	-	-	-	564,378	472,770
		3,945,944	-	-	-	3,945,944	3,571,477
Charitable Activities							
Teaching costs		24,261,451	43,205	-	-	24,304,656	22,946,388
Welfare and catering costs		1,923,333	-	-	-	1,923,333	2,041,253
Premises costs		6,800,592	-	-	3,104,507	9,905,099	9,329,736
Boarding and medical costs		1,113,282	-	-	-	1,113,282	1,102,334
Grants, awards and prizes	2	-	-	487,734	-	487,734	443,138
		34,098,658	43,205	487,734	3,104,507	37,734,104	35,862,849
Total expenditure	8	38,044,602	43,205	487,734	3,104,507	41,680,048	39,434,326
Net income before investment gains and transfers							
		4,847,008	(43,205)	614,804	(2,660,456)	2,758,151	6,247,676
Gains on investments	11	-	17,572	822	1,621,263	1,639,657	2,643,307
Net income before transfers		4,847,008	(25,633)	615,626	(1,039,193)	4,397,808	8,890,983

DULWICH COLLEGE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (continued)
(incorporating an income and expenditure account)

YEAR ENDED 31 JULY 2018

		Unrestricted funds		Restricted	Endowment	Total	Total
		School	Other	Funds	Funds	2018	2017
		£	£	£	£	£	£
Net income before transfers		4,847,008	(25,633)	615,626	(1,039,193)	4,397,808	8,890,983
Transfers between funds	19	(5,921,508)	787,596	(583,464)	5,717,376	-	-
Pension scheme actuarial gains	20	2,837,000	-	-	-	2,837,000	2,526,000
NET MOVEMENT IN FUNDS		1,762,500	761,963	32,162	4,678,183	7,234,808	11,416,983
Funds brought forward at 1 August	19	(13,575,474)	669,174	36,439	81,238,263	68,368,422	56,951,439
FUNDS CARRIED FORWARD							
AT 31 JULY		£(11,812,974)	£1,431,157	£68,601	£85,916,446	£75,603,230	£68,368,422

All the above results are derived from continuing activities. There are no gains or losses other than those stated above.

No separate income and expenditure account as required under the Companies Act 2006 has been presented, as the only difference between the net income for the year before investment gains and transfers (£2,758,151 (2017: £6,247,676)) and the net income for the year as defined by the Companies Act (£2,314,100 (2017: £2,204,961)) is the deduction of donations to the College's endowment funds amounting to £444,051 (2017: £4,042,715).

The notes on pages 27 to 52 form an integral part of these financial statements.

DULWICH COLLEGE

BALANCE SHEETS

AS AT 31 JULY 2018

		Group		Company	
	Notes	2018 £	2017 £	2018 £	2017 £
FIXED ASSETS					
Tangible fixed assets	10	62,562,241	54,118,314	5,590,794	5,709,493
Investments	11	37,226,182	35,586,525	1,275,224	655,601
Share of The Dulwich Schools Common Investment Fund	11	3,628	3,628	-	-
Investment in subsidiary undertakings	12	-	-	4	4
		<u>99,792,051</u>	<u>89,708,467</u>	<u>6,866,022</u>	<u>6,365,098</u>
CURRENT ASSETS					
Stock	13	203,139	186,220	12,824	12,744
Debtors	14	745,100	606,551	3,027,834	1,303,608
Cash at bank and in hand		8,558,858	8,343,350	5,696,247	6,319,401
		<u>9,507,097</u>	<u>9,136,121</u>	<u>8,736,905</u>	<u>7,635,753</u>
CREDITORS: Amounts falling due within one year	15	(7,758,564)	(7,185,067)	(7,182,325)	(6,943,164)
NET CURRENT (LIABILITIES)/ASSETS		<u>1,748,533</u>	<u>1,951,054</u>	<u>1,554,580</u>	<u>692,589</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>101,540,584</u>	<u>91,659,521</u>	<u>8,420,602</u>	<u>7,057,687</u>
CREDITORS: Amounts falling due after more than one year					
Loans	16	(9,936,833)	(6,016,996)	(9,412,128)	(5,134,996)
Other creditors	17	(3,893,521)	(3,570,103)	(3,893,521)	(3,570,103)
		<u>(13,830,354)</u>	<u>(9,587,099)</u>	<u>(13,305,649)</u>	<u>(8,705,099)</u>
NET ASSETS/(LIABILITIES) excluding pension deficit		<u>87,710,230</u>	<u>82,072,422</u>	<u>(4,885,047)</u>	<u>(1,647,412)</u>
Pension scheme funding deficit	20	(12,107,000)	(13,704,000)	(12,107,000)	(13,704,000)
NET ASSETS/(LIABILITIES)		<u>£75,603,230</u>	<u>£68,368,422</u>	<u>£(16,992,047)</u>	<u>£(15,351,412)</u>
ENDOWMENT FUND	19	85,916,446	81,238,263	2,402,919	1,960,074
RESTRICTED FUNDS	19	68,601	36,439	33,653	11,675
UNRESTRICTED FUNDS:					
- General	19	294,026	128,526	(8,752,776)	(4,288,355)
- Designated		1,431,157	669,194	1,431,157	669,194
- Pension reserve		(12,107,000)	(13,704,000)	(12,107,000)	(13,704,000)
		<u>£75,603,230</u>	<u>£68,368,422</u>	<u>£(16,992,047)</u>	<u>£(15,351,412)</u>

The College's net movement in funds for the year as an individual entity was £(1,640,635) (2017: £2,892,902).

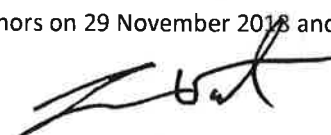
The financial statements were approved and authorised for issue by the Governors on 29 November 2018 and were signed below on its behalf by:



K Jones
Clerk to the Governors



P J R Riddell
Governor



G N C Ward
Governor

The notes on pages 27 to 52 form an integral part of these financial statements.

DULWICH COLLEGE

CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 JULY 2018

	2018		2017	
	£	£	£	£
Operating activities (Note A)		9,112,393		10,435,302
Investing activities				
Investment income and interest received	895,900		931,829	
Cash inflow from redemption of investments	8,837,887		4,670,000	
Payments to acquire tangible fixed assets	(13,591,614)		(6,524,207)	
Payments to acquire investments	(8,837,887)		(7,149,510)	
		(12,695,714)		(8,071,888)
Financing activities				
Interest paid	(445,708)		(415,949)	
Repayment of loans	(755,463)		(744,451)	
Loan monies received	5,000,000		-	
		3,798,829		(1,160,400)
Increase in cash and cash equivalents		215,508		£1,203,014
Cash and cash equivalents at 1 August		8,343,350		7,140,336
Cash and cash equivalents at 31 July		£8,558,858		£8,343,350
Analysis of cash and cash equivalents		£		£
Bank and cash		8,558,858		8,343,350
		£8,558,858		£8,343,350
Note A			2018	2017
			£	£
Net cash inflow from operating activities				
Surplus for the year			2,758,151	6,247,676
Investment income and interest receivable			(895,900)	(931,829)
Interest payable			445,708	415,949
Depreciation charge			4,240,834	3,442,990
Pension costs			1,240,000	1,093,000
			7,778,793	10,267,786
Increase in stock			(16,919)	(21,572)
(Increase)/decrease in debtors			(138,549)	48,808
Increase in creditors			1,479,068	140,280
			£9,112,393	£10,435,302

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Companies Act 2006, FRS102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities* ("SORP 2017"). The College is a Public Benefit Entity as defined by FRS102.

b) General information

The College is a company limited by guarantee, incorporated in England and Wales (company number: 8208764) and a charity registered in England and Wales (charity number: 1150064). The College's registered office address is: Dulwich College, Dulwich Common, London SE21 7LD.

c) Basis of Accounting

The financial statements have been prepared under the Companies Act 2006 on the historical cost convention as modified by the valuation of fixed asset investments at fair value, which is consistent with the prior year.

d) Basis of Consolidation

These financial statements consolidate the results, assets and liabilities of the College's trading subsidiaries (Dulwich College Enterprises Limited and Dulwich College Enterprises Overseas Limited) and of the College's subsidiary charities (Dulwich College Trust and Dulwich College Awards Fund) on a line by line basis.

The College's own Statement of Financial Activities has not been presented, as permitted by section 408 of the Companies Act 2006.

e) Going concern

The Governors consider that there are no material uncertainties which would cast doubt on the College's ability to continue as a going concern.

f) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the College's accounting policies. The key judgements that have been applied by management relate to:

- The selection of useful economic lives for tangible fixed assets.
- The selection of actuarial assumptions which underpin the valuation of the assets and liabilities of the defined benefit pension scheme.

1. ACCOUNTING POLICIES (continued)

The following principal accounting policies have been applied:

g) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Tuition and boarding fees, less any allowances, bursaries or scholarships awarded, are recognised in the period in which the service is provided.

Trading income, including Commissariat sales, transport services and other trading, is recognised in the period in which the goods are sold or the services are provided.

Grants, investment income, including interest receivable and other miscellaneous income are accounted for on a receivable basis.

Voluntary income, comprising donations and distributions from The Dulwich Estate are accounted for on a received basis. Gift Aid and legacies are recognised on a receivable basis, when the conditions of entitlement, certainty and measurement are met.

Income from the endowment funds is split between restricted and unrestricted funds as follows: income from the Dulwich College Awards Fund, the Bursary Appeal Fund and the Dulwich College Facilities Fund is included in restricted funds; income from the Dulwich Schools Common Investment Fund and the Dulwich College Investment Fund is included in unrestricted funds.

h) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the College to the expenditure.

Expenditure on raising funds comprises trading costs (principally the expenditure of Dulwich College Enterprises Limited and Dulwich College Enterprises Overseas Limited), fundraising costs and finance costs. Finance costs comprise interest payable, bad debts, discounts allowed and depreciation.

Expenditure on charitable activities comprises expenditure directly related to the provision of education.

Support costs represent indirect costs relating to raising funds and the College's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Governors' best estimate of actual use. The bases used to allocate costs to the above categories of expenditure are set out in note 8.

Governance costs comprise the costs of running the charity, including strategic planning for its future development, auditors' remuneration, Clerk's office costs, certain legal costs and all costs of complying with constitutional and statutory requirements, such as costs of Board meetings and of preparing the statutory accounts.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)**i) Tangible Fixed Assets and Depreciation**

Tangible fixed assets are initially recognised at cost. Items of furniture, apparatus and equipment, other than computers, costing less than £10,000 are charged against income in the year of purchase. Computer equipment costing less than £500 is charged against income in the year of purchase.

In 1995 the net book value of the buildings was transferred to the College, now Dulwich College Trust, from The Dulwich Estate and in accordance with that Scheme forms part of the endowment funds. The transferred net book value consisted of expenditure on building developments since 1944. Following the incorporation of the College, the endowed buildings have remained the property of Dulwich College Trust in accordance with the Charity Commission Scheme dated 30 January 2013. The Governors confirm that information relating to building developments prior to 1944 is not readily available as the College had at that time an accounting policy to write off any capital expenditure on buildings. Such buildings are treated as inalienable as the College is unable to dispose of them as they are endowed. The current valuation for insurance is £125.4 million (2017: £121.8 million), which reflects the cost of replacement of the buildings as new and excludes the value of land.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

College Buildings:

- Building	50 years
- Roof	20 years
- Building services and fixtures	10 to 20 years
Computer equipment	4 to 5 years
Fixtures, fittings, equipment and vehicles	3 to 5 years

Leasehold property additions have been depreciated in order to write off their cost over the period of the lease.

The carrying values of tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

j) Investments

Investments held for the long-term to generate income or capital growth are carried at fair value as fixed assets.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

k) Stock

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

1. ACCOUNTING POLICIES (continued)

l) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

Bank borrowings

Liabilities for borrowings which are subject to a market rate of interest are measured at the value of the amount advanced, less capital repayments.

Advance Fees Fund

The College has an advance fees scheme whereby parents and others make advance payments, which together with the discount accruing thereon, provide for a set contribution each term towards the pupils' fees.

The capital portion outstanding is recognised as a liability and the amount of discount crystallised in the year is included in the Statement of Financial Activities.

m) Pensions

Contributions are made for staff to the Department for Education Teachers Pension Scheme ("TPS"), the London Pensions Partnership ("LPP", formerly the London Pension Fund Authority, "LPFA") Local Government Pension Scheme and the Dulwich College Pension Plan. For the purposes of complying with relevant accounting standards the TPS is accounted for as a defined contribution scheme, as the College is not responsible for or entitled to receive benefit from any deficit or surplus of the scheme. The LPP scheme is a defined benefit scheme and the Dulwich College Pension Plan is a defined contribution scheme.

The LPP scheme is accounted for as a defined benefit scheme in accordance with section 28 of FRS102, with the annually calculated notional deficit or surplus on the funding of the scheme shown as a designated fund entitled "Pension Reserve", which is deducted from unrestricted funds in the balance sheet. Service costs, curtailments, settlement gains and losses, net financial returns and remeasurement gains and losses are included in the Statement of Financial Activities in the year to which they relate.

Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

- Changes relating to current or past service costs and gains and losses on settlements and curtailments and pension finance costs arising from changes in the net of the interest costs and expected return on assets are allocated to the relevant activity heading based on staff costs of employees within the scheme.
- Pension finance charges arising from similar changes are recognised as outgoing resources.
- Remeasurement gains and losses arising are recognised as other recognised gains and losses.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation.

Details of the scheme assets and liabilities and major assumptions are shown in note 20.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

1. ACCOUNTING POLICIES (continued)**n) Leases**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

o) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Governors in furtherance of the general objectives of the charity.

Designated funds comprise funds that have been set aside at the discretion of the Governors for specific purposes. The purpose and use of the designated unrestricted funds are set out in note 19.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes.

Permanent endowment funds comprise trust funds which are subject to specific trusts declared by the donors or with their authority. The condition of the trust is that the capital element is not expendable. The income arising from the investments is applied only in accordance with the conditions imposed by the donors (where specified) or for the general purposes of the College. In addition the endowed funds include additions to the endowed land and buildings given to the College (see note 1i).

2. FEES RECEIVABLE

	2018	2017
	£	£
a) Fees receivable consist of:		
Day fees	33,926,727	32,199,826
Boarding fees	2,123,836	2,079,082
Other fees	288,995	324,012
Less - discounts and staff allowances	(1,030,305)	(1,090,380)
	<u>£35,309,253</u>	<u>£33,512,540</u>
Grants, awards and prizes consist of:		
Amounts funded by the College from general unrestricted funds:		
Scholarships and prizes	875,805	826,998
Scholarships to boys with bursaries	149,672	117,785
Bursaries	2,564,664	2,262,328
	<u>3,590,141</u>	<u>3,207,111</u>
Amounts paid by other funds:		
Scholarships and prizes	92,191	86,531
Bursaries	395,543	356,607
	<u>£4,077,875</u>	<u>£3,650,249</u>
b) The total scholarships, prizes and bursaries received from other funds consist of:		
Restricted - Dulwich College Awards Fund	92,191	86,531
Restricted - Bursary Appeal Fund	395,543	356,607
	<u>£487,734</u>	<u>£443,138</u>

3. OTHER INCOME	2018 £	2017 £
Activities in the furtherance of the charity's objects:		
Outings and expeditions	988,527	916,611
Staff rents	160,867	161,982
Other	57,652	52,272
	<u>£1,207,046</u>	<u>£1,130,865</u>
4. THE DULWICH ESTATE DISTRIBUTIONS	2018 £	2017 £
Estate income distribution	2,765,784	2,396,138
Estate capital distribution	-	3,597,700
	<u>£2,785,784</u>	<u>£5,993,838</u>
5. INVESTMENT INCOME	2018 £	2017 £
Listed stocks and equities	<u>£846,118</u>	<u>£887,390</u>
6. INCOME FROM TRADING SUBSIDIARIES		

The College has two wholly owned trading subsidiaries, Dulwich College Enterprises Limited (DCE) and Dulwich College Enterprises Overseas Limited (DCEO). DCE's principal activities in the year were the letting of College facilities, the operation of the Commissariat (the school shop), the operation of a sports club and an outdoor centre and the provision of transport for pupils to and from the Dulwich schools. DCEO's principal activity was the licensing of the name and intellectual property of Dulwich College to Dulwich College Management International (DCMI), a company which runs a number of international schools. DCE and DCEO companies donate their taxable profits to Dulwich College. The subsidiaries' trading results for the year, as extracted from the audited financial statements, are summarised below:

	DCE		DCEO	
	2018 £	2017 £	2018 £	2017 £
Profit and loss account				
Turnover	3,521,130	3,256,842	1,851,549	1,422,578
Expenditure	(3,401,040)	(3,119,988)	(636,139)	(497,896)
Trading profit	<u>120,090</u>	<u>136,854</u>	<u>1,215,410</u>	<u>924,682</u>
Gift/covenant to Dulwich College	(120,000)	(135,983)	(1,050,000)	(924,682)
Retained in subsidiary	<u>£90</u>	<u>£871</u>	<u>£165,410</u>	<u>£Nil</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

7. STAFF COSTS

	2018	2017
	£	£
Total resources expended include:		
Wages and salaries	20,582,247	19,575,247
Social security costs	1,962,130	1,886,133
Pension contributions	2,566,194	2,608,843
Pension scheme cost	1,240,000	1,093,000
	<u>£26,350,571</u>	<u>£25,163,223</u>

The full-time equivalent average number of employees for the year was 455 (2017: 442) of which 197 (2017: 193) were teaching staff, 68 (2017: 69) were teaching support staff, 18 (2017: 17) were kindergarten assistants and 172 (2017: 163) were other support staff. The average number of employees for the year on a headcount basis was 589 (2017: 574).

Included in total staff costs are termination payments amounting to £58,093 (2017: £28,362).

The aggregate remuneration of the College's key management personnel, comprising the Governors and the College Leadership Team, amounted to £994,885 (2017: £979,906).

	2018	2017
	No.	No.
The number of employees whose emoluments exceeded £60,000 were:		
£60,001 - £70,000	37	38
£70,001 - £80,000	25	15
£80,001 - £90,000	6	7
£90,001 - £100,000	4	2
£100,001 - £110,000	2	2
£130,001 - £140,000	1	1
£190,001 - £200,000	1	-
£210,001 - £220,000	-	1
	<u> </u>	<u> </u>

The number of higher paid employees for whom defined benefit pension scheme contributions were made was 73 (2017: 63).

8. ANALYSIS OF TOTAL EXPENDITURE

	Staff costs £	Direct costs £	Allocated support costs £	Depreciation £	2018 Total £
2018					
Raising funds					
Lettings, events and sports club costs	926,040	338,414	42,007	6,831	1,313,292
Transport and commissariat costs	331,499	1,117,133	52,681	2,049	1,503,362
International schools costs	50,342	49,070	2,724	-	102,136
Fundraising costs	320,784	101,780	40,212	-	462,776
Finance costs	37,917	521,964	4,497	-	564,378
Charitable activities					
Teaching costs	19,752,760	3,502,245	635,945	413,706	24,304,656
Welfare and catering costs	1,307,376	511,247	54,402	50,308	1,923,333
Premises costs	2,900,627	3,066,759	176,604	3,761,109	9,905,099
Boarding and medical costs	723,226	358,362	24,863	6,831	1,113,282
Grants, awards and prizes	-	487,734	-	-	487,734
	<u>£26,350,571</u>	<u>£10,054,708</u>	<u>£1,033,935</u>	<u>£4,240,834</u>	<u>£41,680,048</u>
	Staff costs £	Direct costs £	Allocated support costs £	Depreciation £	2018 Total £
2017					
Raising funds					
Lettings, events and sports club costs	883,897	310,559	45,077	5,235	1,244,768
Transport and commissariat costs	346,082	962,070	45,396	1,570	1,355,118
International schools costs	48,372	33,298	2,011	-	83,681
Fundraising costs	292,711	103,950	18,479	-	415,140
Finance costs	35,606	435,772	1,392	-	472,770
Charitable activities					
Teaching costs	18,768,313	3,269,792	589,349	318,934	22,946,388
Welfare and catering costs	1,269,282	666,862	66,060	39,049	2,041,253
Premises costs	2,823,618	3,247,520	185,459	3,073,139	9,329,736
Boarding and medical costs	695,342	376,275	25,654	5,063	1,102,334
Grants, awards and prizes	-	443,138	-	-	443,138
	<u>£25,163,223</u>	<u>£9,849,236</u>	<u>£978,877</u>	<u>£3,442,990</u>	<u>£39,434,326</u>

Staff costs include both direct staff costs and allocated support staff costs. Direct costs include both direct costs and directly attributed support costs.

Resources expended include:

	2018 £	2017 £
Support costs (including management and administration):		
Staff costs allocated to activities	4,066,690	3,485,772
Costs directly attributed to activities	822,160	769,257
Costs allocated to activities	1,033,935	978,877
	<u>£5,922,785</u>	<u>£5,260,906</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

8. ANALYSIS OF TOTAL EXPENDITURE (continued)

Support costs are allocated as follows:

2018	Lettings, events and sports club costs	Transport and commissariat costs	International schools costs	Fundraising costs	Finance costs
	£	£	£	£	£
Allocated staff costs	£233,989	£110,260	£5,043	£320,784	£37,917
Directly attributed costs	£1,219	£Nil	£1,275	£101,780	£Nil
Allocated costs	<u>£42,007</u>	<u>£52,681</u>	<u>£2,724</u>	<u>£40,212</u>	<u>£4,497</u>
		Teaching costs	Welfare and catering costs	Premises costs	Boarding and medical costs
		£	£	£	£
Allocated staff costs		£2,031,472	£291,816	£786,503	£248,906
Directly attributed costs		£569,199	£15,683	£13,394	£119,610
Allocated costs		<u>£635,945</u>	<u>£54,402</u>	<u>£176,604</u>	<u>£24,863</u>
2017	Lettings, events and sports club costs	Transport and commissariat costs	International schools costs	Fundraising costs	Finance costs
	£	£	£	£	£
Allocated staff costs	£211,904	£100,408	£4,568	£292,711	£35,606
Directly attributed costs	£Nil	£100	£2,275	£103,950	£Nil
Allocated costs	<u>£45,077</u>	<u>£45,396</u>	<u>£2,011</u>	<u>£18,479</u>	<u>£1,392</u>
		Teaching costs	Welfare and catering costs	Premises costs	Boarding and medical costs
		£	£	£	£
Allocated staff costs		£1,615,973	£268,797	£723,907	£231,898
Directly attributed costs		£483,136	£71,242	£20,905	£114,649
Allocated costs		<u>£589,349</u>	<u>£66,060</u>	<u>£185,459</u>	<u>£25,654</u>
				2018	2017
				£	£
Finance costs					
Interest payable				445,708	415,949
Bank charges				76,256	19,823
Allocated staff costs				37,917	35,606
Allocated support costs				4,497	1,392
				<u>564,378</u>	<u>£472,770</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

8. ANALYSIS OF TOTAL EXPENDITURE (continued)	2018	2017
Premises costs	£	£
Fuel, light & facilities	2,228,426	2,170,317
Maintenance of buildings	1,448,555	1,773,466
Upkeep of grounds	800,889	816,830
Rent, rate & insurance	689,619	565,713
Allocated staff costs	786,503	723,907
Allocated support costs	189,998	206,364
Depreciation	3,761,109	3,073,139
	<u>£9,905,099</u>	<u>£9,329,736</u>
Auditors' remuneration		
- for audit	33,700	35,450
- for other services	10,438	1,775
Operating lease rentals	409,107	373,169
Governors' expenses reimbursed	148	145
	<u></u>	<u></u>

None of the Governors received any remuneration during the year (2017: £Nil).

9. TAXATION

As a registered charity, the College is not liable to income tax or corporation tax on income or gains derived from its charitable activities.

10. FIXED ASSETS – Group	Freehold Buildings	Leasehold Buildings	Computer Equipment	Fixtures, Fittings & Vehicles	Total
	£	£	£	£	£
Cost					
At 1 August 2017	70,394,697	6,777,845	3,493,827	6,988,724	87,655,093
Additions	12,051,790	-	575,422	117,549	12,684,761
Disposals	-	-	-	(366,381)	(366,381)
	<u>82,446,487</u>	<u>6,777,845</u>	<u>4,009,249</u>	<u>6,739,892</u>	<u>99,973,473</u>
Depreciation					
At 1 August 2017	21,187,630	4,319,544	2,608,310	5,421,295	33,536,779
Charge for the year	3,114,207	150,838	443,080	532,709	4,240,834
Disposals	-	-	-	(366,381)	(366,381)
	<u>24,301,837</u>	<u>4,470,382</u>	<u>3,051,390</u>	<u>5,587,623</u>	<u>37,411,232</u>
Net book value					
At 31 July 2018	<u>£58,144,650</u>	<u>£2,307,463</u>	<u>£957,859</u>	<u>£1,152,269</u>	<u>£62,562,241</u>
At 31 July 2017	<u>£49,207,067</u>	<u>£2,458,301</u>	<u>£885,517</u>	<u>£1,567,429</u>	<u>£54,118,314</u>

The fixed assets include an amount of £15,433,791 (2017: £4,474,992) in respect of freehold buildings not yet in use, which have therefore not been depreciated.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

10. FIXED ASSETS – Group

Fixed assets are analysed between funds as follows:	Freehold & Leasehold Buildings £	Computer Equipment £	Fixtures, Fittings, Equipment & Vehicles £	Total £
Endowment	56,019,264	-	-	56,019,264
General	4,432,849	957,859	1,152,269	6,542,977
At 31 July 2018	<u>£60,452,113</u>	<u>£957,859</u>	<u>£1,152,269</u>	<u>£62,562,241</u>

Fixed assets relating to the company amounted to £5,590,794 (2017: £5,709,493) and are wholly used for the direct charitable purposes.

	2018 £	2017 £
Amounts contracted for, relating to future capital expenditure, at the year end	<u>£2,791,000</u>	<u>£11,432,000</u>

11. INVESTMENTS – Group and Charity

	Cost		Fair Value	
	2018 £	2017 £	2018 £	2017 £
a) The group and charity investments are summarised below:				
Dulwich College investments (note 11b)	26,290,257	25,354,194	37,226,182	35,586,525
Share of Dulwich Schools Common Investment Fund (note 11c)	39,479	39,479	3,628	3,628
	<u>£26,329,736</u>	<u>£25,393,673</u>	<u>£37,229,810</u>	<u>£35,590,153</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

11. INVESTMENTS – Group and Charity

b) Dulwich College investments

	Cost		Fair Value	
	2018	2017	2018	2017
	£	£	£	£
Charities Funds	26,289,981	25,353,918	37,225,906	35,586,249
Investment in Dulwich College Management International Limited	275	275	275	275
Investment in Dulwich Services Limited	1	1	1	1
	<u>£26,290,257</u>	<u>£25,354,194</u>	<u>£37,226,182</u>	<u>£35,586,525</u>

Of the Charities Funds investments listed above £1,275,228 (2017: £655,605) is held by the College and the remainder of the group investments are held by Dulwich College Trust.

	2018	2017
	£	£
At 1 August 2017	35,586,525	30,463,708
Additions	8,837,887	7,149,510
Disposals	(8,837,887)	(4,670,000)
Net gains	1,639,657	2,643,307
At 31 July 2018	<u>£37,226,182</u>	<u>£35,586,525</u>

c) The Dulwich Schools Common Investment Fund

The College holds one share in Dulwich Services Limited which is the corporate trustee of the Dulwich Schools Common Investment Fund (DSCIF).

Following approval of the Scheme by the Charity Commissioners on 31 July 1995 in relation to the charities, Dulwich College, Alleyn's School and James Allen's Girls' School, the three schools agreed to pool the investments and monies transferred to them at the time by the Trustees of The Dulwich Estate (previously the Estates Governors of Alleyn's College of God's Gift) into the Dulwich Schools Common Investment Fund. The Fund was itself subsequently approved by the Charity Commissioners as a Scheme under the Charities Act 1993, Section 24.

Following the decision to wind up DSCIF in the year ended 31 July 2003, the shares of the fund at 31 July represent the small holding in an agricultural unit trust managed by Zedra Fiduciary Services (UK) Limited. Discussions with Zedra Fiduciary Services (UK) Limited about its treatment are continuing and once this has been resolved DSCIF will be wound up.

12. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS – Charity

	2018 £	2017 £
Investment in Dulwich College Enterprises Limited	3	3
Investment in Dulwich College Enterprises Overseas Limited	1	1
	<u> </u>	<u> </u>

The balance sheets of the companies are summarised as follows:

	Dulwich College Enterprises Limited		Dulwich College Enterprises Overseas Limited	
	2018	2017	2018	2017
	£	£	£	£
Balance sheet				
Fixed assets	-	-	275	275
Current assets	720,309	442,336	5,365,464	283,024
Creditors	(591,690)	(313,807)	(5,200,328)	(283,298)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net assets	£128,619	£128,529	£165,411	£1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The College owns the entire share capital of Dulwich College Enterprises Limited which comprises 3 £1 shares. The company was incorporated in England and Wales (company number: 03039344) on 29 March 1996 and commenced trading on 1 April 1996. As at 31 July 2018 the company owed the College £217,839 (2017: £81,753). This usual trading balance is included within net current assets in the charity and company balance sheets.

The College owns the entire share capital of Dulwich College Enterprises Overseas Limited which consists of 1 £1 ordinary share. The company was incorporated in England and Wales (company number: 06294794) on 27 June 2007 and commenced trading in September 2010. As at 31 July 2018 the College owed the company £4,842,559 (2017: the company owed the College £265,062). This balance represents a loan of £5,027,534 offset by a usual trading balance of £184,975 included within net assets in the charity and company balance sheets.

13. STOCK

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
College Commissariat:				
Sports goods	134,340	141,166	-	-
Books and stationery	16,182	13,559	-	-
Other	52,617	31,495	12,824	12,744
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£203,139	£186,220	£12,824	£12,744
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

14. DEBTORS

	2018	2017	2018	2017
	£	£	£	£
Tuition and boarding fees	37,278	32,402	37,278	32,402
Other debtors	285,418	183,014	53,550	43,506
Prepayments and accrued income	422,404	391,135	409,753	313,783
Dulwich College Enterprises Limited	-	-	217,839	81,753
Dulwich College Enterprises Overseas Limited	-	-	184,975	265,062
Inter-fund loan (due from Dulwich College Trust)	-	-	2,124,439	567,102
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£745,100	£606,551	£3,027,834	£1,303,608
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

15. CREDITORS: amounts falling due within one year	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Loans for buildings (note 16)	1,107,697	782,997	750,402	710,997
Fee deposits	2,812,924	2,621,817	2,812,924	2,621,817
Tax, National Insurance and Pensions	639,268	68,530	665,241	115,506
Other creditors	304,769	349,102	206,150	273,131
Amounts due on capital projects	795,882	1,702,735	795,882	1,702,735
Accruals and deferred income	2,098,024	1,659,886	1,951,725	1,518,978
	<u>£7,758,564</u>	<u>£7,185,067</u>	<u>£7,812,325</u>	<u>£6,943,164</u>
16. LOANS FOR BUILDINGS	Development Loans		Non endowment Loans	
	£	£	£	Total £
At 1 August 2017	£4,264,769		£2,535,224	£6,799,993
Received in the year	5,000,000		-	-
Repaid in the year	(582,177)		(173,286)	(755,463)
At 31 July 2018	<u>£8,682,592</u>		<u>£2,361,938</u>	<u>£11,044,530</u>
			2018	2017
			£	£
Falling due for repayment:				
- two to five years			8,394,658	3,563,999
- thereafter			1,542,175	2,452,997
			<u>9,936,833</u>	<u>6,016,996</u>
- within one year (note 15)			1,107,697	782,997
			<u>£11,044,530</u>	<u>£6,799,993</u>

Details of the above loans are as follows:

Development loans

- Outstanding balance of £571,930 unsecured.
The capital is repayable by 2022 in equal instalments three times per annum starting in February 2008. Interest is payable at a fixed rate of 6.07%
- Outstanding balance of £1,283,181 unsecured.
The capital is repayable by 2023 in equal instalments three times per annum starting in February 2009. Interest is payable at a fixed rate of 5.88%.
- Outstanding balance of £1,799,947 unsecured.
The capital is repayable by 2023 in equal instalments three times per annum starting in February 2009. Interest is payable at a fixed rate of 5.53%.
- Outstanding balance of £5,027,532 unsecured.
Capital repayments are made in any year following a year in which World Charter fees exceed £1,200,000. The capital repayment is half of the amount by which World Charter fees exceed this threshold. Interest is payable at a fixed rate of 1.00% or LIBOR, if LIBOR exceeds 3.00%.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

16. LOANS FOR BUILDINGS (continued)

Non-endowment property loans - Outstanding balance of £1,269,611 secured over the freehold deeds of Old Blew House. The capital is repayable by October 2029 in equal instalments four times per annum starting in July 2007. Interest is payable at a fixed rate of 6.03%.

- Outstanding balance of £210,329 secured over the freehold deeds of Old Blew House. The capital is repayable by 2029 in equal instalments four times per annum starting in July 2007. Interest is payable at a variable rate of base rate plus a margin of 0.69%.

- Outstanding balance of £808,500 secured over the freehold deeds of Elm Lawn and Chestnuts. The capital is repayable by 2030 in equal instalments four times per annum starting in November 2006. Interest is payable at a fixed rate of 5.44%

- Outstanding balance of £73,500 secured over the freehold deeds of Elm Lawn and Chestnuts. The capital is repayable by 2030 in equal instalments four times per annum starting in December 2006. Interest is payable at a fixed interest rate of 5.27%.

17. OTHER CREDITORS – Group and Charity

	2018	2017
	£	£
Advance fees	1,945,537	1,806,439
Fee deposits	1,947,984	1,763,664
	<u>£3,893,521</u>	<u>£3,570,103</u>
Falling due for repayment:		
- two to five years	3,166,057	2,894,273
- thereafter	727,464	675,830
	<u>£3,893,521</u>	<u>£3,570,103</u>

18. FINANCIAL INSTRUMENTS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Financial assets measured at fair value	£37,229,810	£35,590,153	£1,275,224	£655,601
Financial assets measured at amortised cost	£8,881,554	£8,558,766	£8,129,357	£7,309,230
Financial liabilities measured at amortised cost	£18,055,744	£10,834,576	£16,960,150	£11,504,605

Financial assets measured at fair value comprise listed investments.

Financial assets measured at amortised cost comprise debtors, cash and investments in subsidiary undertakings.

Financial liabilities measured at amortised costs comprise bank loans and overdraft, fee deposits and other creditors.

19. FUNDS

a) The net assets of the company and of the group are held for the various funds as follows:

2018	Unrestricted Funds					Total £
	Endowment £	Restricted £	Pension Reserve £	Designated £	General £	
Tangible fixed assets	-	-	-	-	5,590,794	5,590,794
Investments	-	-	-	1,274,953	275	1,275,228
Net other assets	2,402,919	33,653	-	156,204	(4,931,717)	(2,338,941)
Loans for buildings	-	-	-	-	(9,412,128)	(9,412,128)
Pension fund deficit	-	-	(12,107,000)	-	-	(12,107,000)
Company total	<u>£2,402,919</u>	<u>£33,653</u>	<u>£(12,107,000)</u>	<u>£1,431,157</u>	<u>£(8,752,776)</u>	<u>£(16,992,047)</u>
Tangible fixed assets	56,019,264	-	-	-	6,542,977	62,562,241
Investments	35,923,507	27,176	-	1,275,224	275	37,226,182
Dulwich Schools Common Investment Funds	3,628	-	-	-	-	3,628
Capital donations (cash)	3,597,700	-	-	-	-	3,597,700
Net other assets	1,179,378	41,425	-	155,933	(6,011,727)	(4,364,991)
Bank loan	(8,682,592)	-	-	-	(2,361,938)	(11,044,530)
Pension fund deficit	-	-	(12,107,000)	-	-	(12,107,000)
Inter-fund loan	(2,124,439)	-	-	-	2,124,439	-
Group total	<u>£85,916,446</u>	<u>£68,601</u>	<u>£(12,107,000)</u>	<u>£1,431,157</u>	<u>£294,026</u>	<u>£75,603,230</u>

At 31 July 2018 the group funds comprised:

	Unrestricted Funds					Total £
	Endowment £	Restricted £	Pension Reserve £	Designated £	General £	
Dulwich Schools Common Investment Fund	3,628	-	-	-	-	3,628
Buildings Fund	34,595,458	-	-	-	-	34,595,458
Dulwich College Investment Fund	38,061,783	-	-	-	-	38,061,783
Dulwich College Awards Fund	1,420,038	34,948	-	-	-	1,454,986
Bursary Appeal Fund	11,835,539	27,432	-	1,431,157	-	13,294,128
Dulwich College Facilities Fund	-	6,221	-	-	-	6,221
Pension Reserve	-	-	(12,107,000)	-	-	(12,107,000)
General Fund	-	-	-	-	294,026	294,026
	<u>£85,916,446</u>	<u>£68,601</u>	<u>£(12,107,000)</u>	<u>£1,431,157</u>	<u>£294,026</u>	<u>£75,603,230</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

19. FUNDS (continued)

2017	Unrestricted Funds					Total £
	Endowment £	Restricted £	Pension Reserve £	Designated £	General £	
Tangible fixed assets	-	-	-	-	5,709,493	5,709,493
Investments	-	-	-	655,330	275	655,605
Net other assets	1,960,074	11,675	-	13,864	(4,152,130)	(2,166,517)
Loans for buildings	-	-	-	-	(5,845,993)	(5,845,993)
Pension fund deficit	-	-	(13,704,000)	-	-	(13,704,000)
Company total	£1,960,074	£11,675	£(13,704,000)	669,194	£(4,288,355)	£(15,351,412)
Tangible fixed assets	47,431,235	-	-	-	6,687,079	54,118,314
Investments	34,904,296	26,353	-	655,601	275	35,586,525
Dulwich Schools Common Investment Funds	3,628	-	-	-	-	3,628
Capital donations (cash)	3,597,700	-	-	-	-	3,597,700
Net other assets	133,275	10,086	-	13,593	(4,590,706)	(4,433,752)
Bank loan	(4,264,769)	-	-	-	(2,535,224)	(6,799,993)
Pension fund deficit	-	-	(13,704,000)	-	-	(13,704,000)
Inter-fund loan	(567,102)	-	-	-	567,102	-
Group total	£81,238,263	£36,439	£(13,704,000)	£669,194	£128,526	£68,368,422

At 31 July 2017 the group funds comprised:

	Unrestricted Funds					Total £
	Endowment £	Restricted £	Pension Reserve £	Designated £	General £	
Dulwich Schools Common Investment Fund	3,628	-	-	-	-	3,628
Buildings Fund	31,982,589	-	-	-	-	31,982,589
Dulwich College Investment Fund	36,794,927	-	-	-	-	36,794,927
Dulwich College Awards Fund	1,352,704	24,764	-	-	-	1,377,468
Bursary Appeal Fund	11,104,415	5,454	-	669,194	-	11,779,063
Dulwich College Facilities Fund	-	6,221	-	-	-	6,221
Pension Reserve	-	-	(13,704,000)	-	-	(13,704,000)
General Fund	-	-	-	-	128,526	128,526
	£81,238,263	£36,439	£(13,704,000)	£669,194	£128,526	£68,368,422

The Bursary Appeal Fund comprises both capital endowment and restricted income donations, along with amounts designated by Governors from unrestricted funds. The balances also take account of gains and losses on investments and unspent investment income.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

19. FUNDS (continued)

b) Endowment fund movements during the year were as follows:

	At 1 August 2017 £	Income £	Expenditure £	Transfers £	Investment Gains £	At 31 July 2018 £
Dulwich College Awards Fund	1,352,704	1,207	-	-	66,127	1,420,038
Dulwich Schools Common Investment Fund	3,628	-	-	-	-	3,628
Dulwich College Investment Fund	36,794,927	-	-	-	1,266,856	38,061,783
Buildings Fund	31,982,589	-	(3,104,507)	5,717,376	-	34,595,458
Bursary Appeal Fund	11,104,415	442,844	-	-	288,280	11,835,539
	<u>£81,238,263</u>	<u>£444,051</u>	<u>(£3,104,507)</u>	<u>£5,717,376</u>	<u>£1,621,263</u>	<u>£85,916,446</u>
	At 1 August 2016 £	Income £	Expenditure £	Transfers £	Investment Gains £	At 31 July 2017 £
Dulwich College Awards Fund	816,743	1,424	-	458,636	75,901	1,352,704
Dulwich Schools Common Investment Fund	3,628	-	-	-	-	3,628
Dulwich College Investment Fund	31,434,751	3,616,450	-	-	1,743,726	36,794,927
Buildings Fund	28,897,143	-	(2,410,518)	5,495,964	-	31,982,589
Bursary Appeal Fund	9,937,964	424,841	-	-	741,610	11,104,415
	<u>£71,090,229</u>	<u>£4,042,715</u>	<u>£(2,410,518)</u>	<u>£5,954,600</u>	<u>£2,561,237</u>	<u>£81,238,263</u>

The Dulwich College Awards Fund (DCAF) was set up on 18 April 1995 in order to pool together all of the College's sundry scholarship, prize and miscellaneous trust funds within one scheme.

The details in relation to the Dulwich Schools Common Investment Fund (DSCIF) are disclosed in note 11.

The Dulwich College Investment Fund was set up in April 2003 in order to hold the investments returned from the DSCIF to be held directly by the College.

In accordance with the 1995 Scheme the Buildings Fund was set up as a result of a transfer of the net book value of buildings in 1995 from The Dulwich Estate. The Governors agreed, after seeking Charity Commission approval, to account for the fund as follows.

Additions on endowment buildings result in a transfer of funds from unrestricted funds to the Buildings Fund, unless a deficit would arise on the unrestricted funds where an inter-fund loan is established between the unrestricted fund and the Buildings Fund until such time as the unrestricted fund has sufficient resources to make the transfer. Bank loans and other short term borrowings for the purposes of improving the permanent endowment land and buildings are allowed to be set off against the Buildings Fund. Depreciation on endowment buildings is now charged against the Buildings Fund.

In accordance with this policy £5,133,912 (2017: £4,597,699) was transferred from unrestricted funds to the Buildings Fund in the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

19. FUNDS (continued)

In addition, £583,464 (2017: £662,052) was transferred from restricted funds to the Buildings Fund, in respect of the Dulwich College Facilities Fund money spent on the Barry Buildings and other developments and there were designations to the Buildings Fund of £Nil (2017: £236,213) in the year.

The Bursary Appeal Fund comprises accumulated donations to provide an income stream to give financial support to parents whose sons have been awarded a place at the College but who cannot afford the full fees. All endowed donations received in the year have been included within this fund.

c) Restricted fund movements during the year were as follows:

	At 1 August 2017 £	Income £	Expenditure £	Transfers £	Investment Gains £	At 31 July 2018 £
Dulwich College Awards Fund	24,764	101,553	(92,191)	-	822	34,948
Bursary Appeal Fund	5,454	417,521	(395,543)	-	-	27,432
Dulwich College Facilities Fund	6,221	583,464	-	(583,464)	-	6,221
	<u>£36,439</u>	<u>£1,102,538</u>	<u>(£487,734)</u>	<u>(£583,464)</u>	<u>£822</u>	<u>£68,601</u>
	At 1 August 2016 £	Income £	Expenditure £	Transfers £	Investment Gains £	At 31 July 2017 £
Dulwich College Awards Fund	426,968	83,642	(78,232)	(458,636)	51,022	24,764
Bursary Appeal Fund	15,360	346,701	(386,607)	-	-	5,454
Dulwich College Facilities Fund	14,450	662,122	(8,299)	(662,052)	-	6,221
	<u>£456,778</u>	<u>£1,092,465</u>	<u>£(443,138)</u>	<u>£(1,120,688)</u>	<u>£51,022</u>	<u>£36,439</u>

The Dulwich College Awards Fund (DCAF) was set up on 18 April 1995 in order to pool together all of the College's sundry scholarship, prize and miscellaneous trust funds within one scheme.

The Bursary Appeal Fund comprises accumulated donations to give financial support to parents whose sons have been awarded a place at the College but who cannot afford the full fees. All restricted income donations received in the year have been included in this fund.

The Dulwich College Facilities Fund comprises donations received to help fund facilities developments less money spent on facilities developments. The balance at 31 July 2018 represents donations to support Music at the College.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

19. FUNDS (continued)

d) Unrestricted fund movements during the year were as follows:

	At 1 August 2017	Income	Expenditure	Transfers	Investment Gains/ (Losses)	At 31 July 2018
	£	£	£	£	£	£
General Fund	128,526	42,891,610	(36,804,602)	(5,921,508)	-	294,026
Advance Fees Fund	-	-	(43,205)	43,205	-	-
Pension Reserve	(13,704,000)	-	-	-	2,837,000	(12,107,000)
Bursary Appeal Fund	669,174	-	(1,240,000)	744,391	17,572	1,431,157
	<u>£(12,906,280)</u>	<u>£42,891,610</u>	<u>£(38,087,807)</u>	<u>£(5,133,912)</u>	<u>£2,854,572</u>	<u>£(10,381,817)</u>
	At 1 August 2016	Income	Expenditure	Transfers	Investment Gains/ (Losses)	At 31 July 2017
	£	£	£	£	£	£
General Fund	127,655	39,630,211	(34,529,265)	(5,100,075)	-	128,526
Advance Fees Fund	-	-	(41,794)	41,794	-	-
Pension Reserve	(15,137,000)	-	(1,093,000)	-	2,526,000	(13,704,000)
Bursary Appeal Fund	413,777	-	-	224,369	31,048	669,174
	<u>£(14,595,568)</u>	<u>£39,630,211</u>	<u>£(35,664,059)</u>	<u>£(4,833,912)</u>	<u>£2,557,048</u>	<u>£(12,906,280)</u>

As agreed by the Governors in 2000 the balance of the Advance Fees Fund is transferred annually to the General Fund as the Governors do not wish to hold a balance in this fund.

The Bursary Appeal Fund represents designations made by Governors to the fund. The transfer of £744,391 (2017: £224,369) represents £480,720 of the increased income from DCEO in line with a policy agreed by Governors, £51,448 of the income distribution from The Dulwich Estate that was not spent on bursaries during the year, £40,162 to fund staff bursaries, £40,000 of income from fundraising supported by the Friends of Dulwich College ("FDC"), as agreed by FDC, £81,884 of unrestricted donations to the College's Annual Fund campaign in the year and £50,177 of other donations designated to the fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

20. PENSION ARRANGEMENTS

The College participates in three pension schemes.

The main scheme is administered by Teachers' Pensions, an executive agency of the Department for Education (DfE). Contributions to the scheme are determined by the Government Actuary and paid over to the Exchequer. Contribution rates for employees range from 7.4% to 11.7% (2017: 7.4% to 11.7%) depending on their salary. Current employer contributions are 16.48% (2017: 16.48%).

The second scheme is a defined benefit scheme for operational staff and is administered by the London Pensions Partnership (formerly London Pension Fund Authority) in accordance with the rules and valuations of the scheme. Contribution rates for employees range from 5.5% to 12.5% (2017: 5.5% to 12.5%) depending on their salary. Current employer contributions are 19.55% (2017: 19.55%). This scheme was closed to new members on 31 July 2010.

The third scheme is a defined contribution scheme for operational staff opened on 1 August 2010 with Aviva (formerly Friends Life). Contribution rates for employees range from 4% to 6% depending on their salary, with corresponding employer contributions of 4% to 8%.

The annual commitment under the three schemes is for contributions of £2,572,000 (2017: £2,533,000). Contributions totalling £37,013 (2017: £28,407) were payable to the schemes at the year end.

The defined benefit scheme was always a joint scheme for the College and its subsidiary undertakings. From 31 July 2006, the contracts of employment of the staff of Dulwich College Enterprises Limited were transferred to Dulwich College to simplify the pension arrangements.

As a result of this change, the responsibility for meeting the pension obligations rests with Dulwich College. The on-going costs, however, are met by Dulwich College Enterprises Limited through a secondment arrangement. Dulwich College Enterprises Limited obtained actuarial advice to quantify its liability using transfer values and using this information has estimated the quantum of the contingent liability (net of assets) to be in the region of £150,000, based on the actuarial valuation in 2004.

Governors have received actuarial advice. The overall expected rate of return on assets is based on the long term future expected investment return for each asset class as at the beginning of the year.

	2018 £	2017 £
Analysis of amounts charged to activity cost categories:		
Charitable expenditure operating costs		
Service cost	1,504,000	1,468,000
Administration expenses	27,000	24,000
	<u>£1,531,000</u>	<u>£1,492,000</u>
	£	£
Finance cost		
Net interest on the defined benefit liability	<u>£361,000</u>	<u>£383,000</u>
Remeasurement of the defined benefit liability:		
Return on fund assets in excess of interest	(711,000)	(2,333,000)
Other actuarial losses on assets	-	567,000
Change in demographic assumptions	(2,126,000)	(347,000)
Experience gain on defined benefit obligation	-	(2,258,000)
Change in financial assumptions	-	1,845,000
	<u>£(2,837,000)</u>	<u>£(2,526,000)</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

20. PENSION ARRANGEMENTS (continued)

Changes in present value of the defined benefits obligation are as follows:	2018 £'000	2017 £'000
Opening defined benefit obligation	34,742	33,449
Current service cost	1,433	1,468
Past service cost	71	-
Interest cost	934	866
Contributions	246	271
Change in financial assumptions	(2,126)	1,845
Change in demographic assumptions	-	(347)
Experience gain on defined benefit obligation	-	(2,258)
Benefits paid	(558)	(552)
	<u>£34,742</u>	<u>£34,742</u>

Changes in fair value plan assets are as follows:	2018 £'000	2017 £'000
Opening fair value of employer assets	21,038	18,312
Interest on assets	573	483
Return on assets less interest	711	2,333
Other actuarial losses	-	(567)
Administration expenses	(27)	(24)
Contributions by members	246	271
Contributions by employer	652	782
Benefits paid	(558)	(552)
	<u>£22,635</u>	<u>£21,038</u>
Closing fair value of employer assets	<u>£22,635</u>	<u>£21,038</u>

The major categories of plan assets are as follows:

	% of Total plan 2018	Group share of Fund value at 31 July 2018 £'000	% of Total plan 2017	Group share of Fund value at 31 July 2017 £'000
Scheme Assets				
Equities	61%	13,723	61%	12,898
Target return portfolio	22%	5,011	21%	4,364
Cash	5%	1,038	7%	1,458
Infrastructure	5%	1,126	5%	948
Property	7%	1,737	7%	1,370
Total		<u>£22,635</u>		<u>£21,038</u>

	2018 £	2017 £
Actual return on fund assets	<u>£1,284,000</u>	<u>£2,816,000</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

20. PENSION ARRANGEMENTS (continued)

Actuarial assumptions used:	Per annum 2018	Per annum 2017
Salary increases	3.85%	4.20%
Pension increases	2.35%	2.70%
Discount rate	2.65%	2.70%

Mortality Assumptions

Post retirement mortality is based on Club Vita analysis which has then been projected using the Medium Cohort projection, allowing for a minimum rate of improvement of 1%. Based on these assumptions, average future life expectancies at age 65 are summarised below:

31 July 2018	Males	Females
Current pensioners	21.1	24.7
Future pensioners	23.5	27.0
31 July 2017		
Current pensioners	21.0	24.6
Future pensioners	23.4	26.8

21. COMMITMENTS

At 31 July 2018 the College had annual commitments under operating leases as set out below:

	2018 £	2017 £
Operating leases which expire:		
- within one year	43,018	47,725
- in two to five years	406,887	212,651
- in more than five years	212,592	226,018
	<u>662,497</u>	<u>486,394</u>

22. RELATED PARTY TRANSACTIONS

Dulwich College is controlled by the Board of Governors.

Mr G N C Ward is a director of the corporate trustee, Dulwich Services Limited, which manages the affairs of Dulwich Schools Common Investment Fund.

During the year Dr I Bishop and Dr A H Köttering were trustees of The Dulwich Estate, a registered charity.

Balances and transactions with Dulwich Schools Common Investment Fund include:
Investment share of the Fund £3,628 (2017: £3,628).

Transactions with The Dulwich Estate include:
Income distributions received £2,765,784 (2017: £2,396,138).
Capital distribution received £Nil (2017: £3,597,700).
Property rent paid amounting to £226,156 (2017: £227,970).

Balances and transactions with Dulwich College Enterprises Limited include:
Amounts owed £217,839 (2017: £81,753).
Rent and other charges £492,014 (2017: £479,627).
Transport services used £620,563 (2017: £540,535).
Gift/covenant received £120,000 (2017: £135,983).

Balances and transactions with Dulwich College Enterprises Overseas Limited include:
Amounts owed by the College £4,842,559 (2017 amounts owed to the College: £265,062).
Management charges and royalties £512,710 (2017: £424,280).
Gift/covenant received £1,050,000 (2017: £924,682).

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds School £	Other £	Restricted Funds £	Endowment Funds £	Total 2017 £
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
Fees receivable	2	33,512,540	-	-	-	33,512,540
Grants, awards and prizes	2	(3,207,111)	-	-	-	(3,207,111)
Net fees receivable		30,305,429	-	-	-	30,305,429
Catering income		1,518,124	-	-	-	1,518,124
Other income	3	1,130,865	-	-	-	1,130,865
Other trading income						
Lettings, events and sports club income		1,666,216	-	-	-	1,666,216
Transport and Commissariat income		1,307,225				1,307,225
International schools income		1,422,578				1,422,578
Voluntary income						
The Dulwich Estate distributions	4	2,396,138	-	-	3,597,700	5,993,838
Donations received		186,207	-	774,676	445,015	1,405,898
Investments						
Listed investments	5	571,496	-	315,894	-	887,390
Bank and other interest		42,544	-	1,895	-	44,439
Total income and endowments		40,546,822	-	1,092,465	4,042,715	45,682,002
EXPENDITURE ON:						
Raising funds						
Lettings, events and sports club costs		1,244,768	-	-	-	1,244,768
Transport and commissariat costs		1,355,118	-	-	-	1,355,118
International schools costs		83,681	-	-	-	83,681
Fundraising costs		415,140	-	-	-	415,140
Finance costs	9	472,770	-	-	-	472,770
		3,571,477	-	-	-	3,571,477
Charitable Activities						
Teaching costs		22,904,594	41,794	-	-	22,946,388
Welfare and catering costs		2,041,253	-	-	-	2,041,253
Premises costs		6,919,218	-	-	2,410,518	9,329,736
Boarding and medical costs		1,102,334	-	-	-	1,102,334
Grants, awards and prizes	2	-	-	443,138	-	443,138
		32,967,399	41,794	443,138	2,410,518	35,862,849
Total expenditure	8	36,538,876	41,794	443,138	2,410,518	39,434,326
Net income before investment gains/(losses) and transfers						
		4,007,946	(41,794)	649,327	1,632,197	6,247,676
Realised losses on investments		-	-	-	(149,173)	(149,173)
Unrealised gains on investments	11	-	31,048	51,022	2,710,410	2,792,480
Net income before transfers		4,007,946	(10,746)	700,349	4,193,434	8,890,983

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 JULY 2018

23. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (continued)

		Unrestricted funds School £	Other £	Restricted Funds £	Endowment Funds £	Total 2017 £
Net income before transfers		4,007,946	(10,746)	700,349	4,193,434	8,890,983
Transfers between funds	19	(5,100,075)	266,163	(1,120,688)	5,954,600	-
Pension scheme actuarial gains	20	2,526,000	-	-	-	2,526,000
NET MOVEMENT IN FUNDS		1,433,871	255,417	(420,339)	10,148,034	11,416,983
Funds brought forward at 1 August	19	(15,009,345)	413,777	456,778	71,090,229	56,951,439
FUNDS CARRIED FORWARD AT 31 JULY		<u>£(13,575,474)</u>	<u>£669,194</u>	<u>£36,439</u>	<u>£81,238,263</u>	<u>£68,368,422</u>



Dulwich College

Dulwich Common, London, SE21 7LD

Telephone: 020 8693 3601

Email: enquiries@dulwich.org.uk **Web:** www.dulwich.org.uk

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