

Registered Company Number: 03228456
Registered Charity Number: 1057185

Monkton Combe School
(a company limited by guarantee)

**Annual Report and Consolidated Financial Statements
for the year ended 31 August 2020**

Monkton Combe School

Annual Report and Consolidated Financial Statements for the year ended 31 August 2020

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Monkton Combe School

Governors, Directors, Officers and Advisors for the year ended 31 August 2020

Governors

Chair

Prof H Langton MSc BA (Hons) RNT RCNT RSCN RCN	ED, E
C Alexander MA (Oxon)* (Resigned 26 June 2020)	F (Chair), EDC
Rev S Barnes MA.BA QTS (Hons) Cert BA. CPE	EDC (Chair)
R S Coates BA (Hons)	EDC
C B Fillingham	ED (Chair)
E S K Hubbard	F
A Lyttle	EDC
J Perry Bpharm (Hons), MRPharmS, DipClinPharm	ED
R J Pringle BSc (Hons)	E, F, P (Chair)
A J Reid	ED
D Rosser	EDC
E J Shaw	
M L S Thomas	
M K Townsend BSc (Hons) (Resigned 29 November 2019)	ED, F
M R White (Appointed 29 November 2019)	
S B M Young BA FCA FCA	E, F (Chair), P

Company Secretary

Kempton J D (Appointed 31 July 2020)

ED = member of Education Committee

E = member of Executive Committee

EDC = member of Estate Development Committee

F = member of Finance & General Purposes Committee

P = member of Partnership Committee

* Parent of pupil at School during the financial year

Monkton Combe School

Governors, Directors, Officers and Advisors for the year ended 31 August 2020

Principal

C Wheeler BA, PGCE

Bursar

J D Kempton (Appointed 27 July 2020)

T P Davies BA FCA DChA (Resigned 31 July 2020)

Clerk to the Governors

S C Dormon BA MCIPD

Registered Office

Monkton Combe School

Monkton Combe

Bath BA2 7HG

Solicitors

Stone King LLP

13 Queen Square

Bath BA1 2HJ

Website

www.monktoncombeschool.com

Auditor

Crowe U.K. LLP

Carrick House

Lypiatt Road

Cheltenham

Gloucestershire GL50 2QJ

Bankers

National Westminster Bank Plc

Bath BA1 1QF

Investment Managers

Baillie Gifford

Calton Square

1 Greenside Row

Edinburgh EH1 3AN

Monkton Combe School

Annual Report of the Governors for the year ended 31 August 2020

The Governors, who are the Directors of the School for the purpose of the Companies Act 2006, present their annual report, including the Directors' Report and Strategic Report, and the audited financial statements for the year ended 31 August 2020.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

DIRECTORS' REPORT

Constitution and Objects

Monkton Combe School ("the School") is a registered charity (registered number: 1057185) and is incorporated under the Companies Act 2006 as a company limited by guarantee (registered number: 03228456). The address of the School is shown on page 3. The Company is governed by its Memorandum and Articles of Association dated 11 July 1996, as amended with the consent of the Charity Commission pursuant to Special Resolution of the Company dated 5 March 2001 and 30 November 2018.

The primary object of the School, as stated in the Memorandum of Association, is the promotion of education and the establishment and maintenance of an independent co-educational school combined with sound religious training within the evangelical Anglican tradition.

The information with respect to Governors, Directors, Officers and Advisors set out on pages 2 and 3 forms part of this report.

These financial statements also include the results of the School's wholly owned subsidiaries, Monkton Combe School Enterprises Limited and Monkton International Limited. This report and the consolidated financial statements for the year ended 31 August 2020 relate to the total activities of the legal entities combined.

Governance and Management

Governing Body

The Governors, all of whom served throughout the year to 31 August 2020, except where otherwise disclosed, are listed on page 2. Under the revised Articles (adopted 30 November 2018) Governors can serve for up to three terms of four years.

Recruitment, Induction and Training of Governors

New Governors are recruited, elected and inducted using the following process:

- 1) The skills and experience required of any potential new candidates are identified and agreed.
- 2) The School utilises the services of a professional recruitment agent, as well as its current Governors and members of the Executive Leadership Team (ELT) to identify and nominate individuals to the Executive Committee for consideration.
- 3) The Executive Committee reviews the candidates' CVs/application forms and statements of faith and a decision is made in each case as to whether to proceed.
- 4) After an affirmative decision, prospective Governors are then invited to meet one or two current Governors and are also offered the opportunity for a tour of the School and to meet members of the ELT.
- 5) Details of the nominees are notified to the Board with a synopsis from the interviewing governors.
- 6) After the Board agree to proceed to appointment, a letter of appointment is sent inviting the candidate to become a Governor, together with a pack of information on the School and the responsibilities of Governors.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

- 7) An induction programme, tailored to match each new Governor's needs, is then established, including the opportunity to shadow a teacher/pupil/other member of staff as appropriate and to attend training courses for new Governors.
- 8) Existing Governors are also offered the opportunity, periodically, to shadow a pupil/member of staff, as above, and to attend relevant training courses, summaries of which are then circulated to other Governors as part of a wider programme of Governor training. Speakers are also invited on occasions to address the governing body on topics of specific interest, and to deliver training in relevant areas, such as safeguarding.

Organisational Management

The Board of Governors, as the charity's Trustees, is legally responsible for the overall management and control of the School, and meets on a termly basis. Committees oversee specific areas of the School's operation. These Committees act under delegated authority and decisions outside that authority are ratified by the Board. The Executive and Finance and General Purposes Committees meet at least three times a year and the Education & Partnership Committees meet three times a year. The Estates Development Committee meets, as required, to review and advise on the School's property assets and ensure that the estate is being used and developed to best advantage to support core activities over the medium and longer term.

The Governors also acknowledge the Governance Code published by the Charity Commission in 2017. The Governors have due regard to this Code as well as information provided by the Association of Governing Bodies of Independent Schools (AGBIS) so as to ensure that the Board demonstrates best practice in relation to its governance processes.

Day to day management of the School is delegated to the Executive Leadership Team, which comprises:

Principal - Chris Wheeler

Vice Principal – James Goodman

Bursar – Tom Davies (resigned July 2020) & James Kempton (appointed July 2020)

Head of Prep – Martin Davis (resigned August 2020)

Head of Pre-Prep - Catherine Winchcombe (Head of Prep from August 2020)

Deputy Head Learning – Joe Sidders

Deputy Head Pastoral – Rob Youlten

Director of People – Laura Warner

Director of External Relations – Becki McKinlay

Employment Policy

The School is an equal opportunities employer. Full and fair consideration is given to job applications from disabled persons and due consideration is given to their training and employment needs.

The School has been registered as a school with a religious character by the Department for Education. As such, for certain roles, the School is able to advertise for and appoint staff who have specific Evangelical Christian faith that is central to the ethos and tradition of the School. Notwithstanding this, the School values the individual contribution of people irrespective of sex, age, marital status, disability, sexual orientation, gender reassignment, race, colour, religion, ethnic or national origin.

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Annual Report of the Governors (continued) for the year ended 31 August 2020

Arrangements for setting the remuneration of key management personnel

In assessing the appropriate remuneration payable to the School's key management personnel, the Governors draw upon the expertise of external professional advisors and the information available from benchmarking reports produced for the sector. For the purposes of this Annual Report, the School's key management personnel are considered to be the members of the ELT.

Statement of Governors' Responsibilities

The Governors (who are also directors of Monkton Combe School for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group 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 date of approval of this report, there is no relevant audit information of which the charity's auditor is unaware. The Governors have taken all the steps that we should have taken as Governors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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Annual Report of the Governors (continued) for the year ended 31 August 2020

STRATEGIC REPORT

Executive Summary:

Monkton Combe School is proud of all it has achieved despite the global pandemic. Monkton is a school for boarding and day pupils. The Prep School (including Nursery) caters for 2-13 year olds. The Senior School caters for 13-18 year olds. Our boarding experience combined with our Christian ethos enables us to know each and every child, supporting their individual journeys and helping them find their way through our academic, co-curricular and pastoral offering. We are a School that thinks differently in our approach; we celebrate success and failure and we adapt and change when we need to. We inspire our pupils to meet our core values and our model of service enables many examples of public benefit.

1. Objectives and activities

Our Vision:

Monkton inspires young people to become confident, kind and ambitious adults who live fulfilling lives.

Our Mission:

Monkton thinks differently. We start with a proactive pastoral environment to develop academically strong enthusiastic learners within a living Christian ethos.

Our Values:

Confidence, Integrity, Humility, Service.

Our Aims:

- To provide opportunities for all pupils to increase their self-belief in areas they previously perceived to be weaknesses
- To create an environment of tolerance and a clear understanding of the importance to love our neighbour as ourselves by helping students develop respect for others so that they can form tolerant and caring relationships and be sympathetic to the needs of other people;
- To raise the aspirations of each individual within our school community so everyone strives for personal excellence in everything they do
- To monitor the personal journey of every pupil and ensure that development of self-knowledge sits at the centre of all pupils learning and achievements
- To help students build on their strengths and overcome their weaknesses learning from them;
- To provide outstanding learning and teaching which enables all students, regardless of gender, race, background or ability, to excel;
- To develop a culture of coaching that promotes continuous improvement and the highest standards of achievement for staff and pupils alike
- To use the skills, knowledge, experience and talents of all staff to personalise the learning for each student and ensure as great a breadth of experience as possible;
- To continue to emphasise the importance of the Christian faith and to convey consistently the relevance of God's message in a changing world, whilst embracing students of all faiths and none, extending the School's Christian principles beyond acts of worship so that they underpin the whole fabric of the community and its activities.
- To offer a fully integrated education throughout the 2-18 age range ensuring each phase builds on the last
- To develop an innovative approach to the use of technology in learning, enhancing our focus on the individual

The Governing body is mindful of the need to provide public benefit and of the requirements of the Charities Act 2011. The Governors have monitored closely the guidance on public benefit produced by the Charity

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

Commission together with its supplemental guidance on fee charging and confirms that they have complied with their duties to have due regard to this guidance.

In addition to its educational aims, the School aims to provide a clear and effective management structure, capable of taking timely decisions and allocating necessary resources appropriately, and to provide the necessary administrative and logistic infrastructure to meet the needs of both staff and pupils.

2. Achievements and performance

A. Pupil Achievements and performance:

Academic Performance: Despite the challenges of the pandemic, our pupils achieved the following results:

- GCSEs - 2020: 72% of grades were 7-9 (A-A*) and almost 90% were 6-9 (A*-B).
- A Levels 2019 : A level pupils achieved over three-quarters of grades at A*-B (78%) as well as continuing the trend that has seen pupils achieve 1 in 5 grades at A* over the last three years.

Duke of Edinburgh: There was fantastic interest in the DofE award at the start of the school year 2019. We had over 50 students sign up to do their bronze award and almost 30 sign up for Gold. These are some of the biggest numbers the school has seen. Whilst much of the expedition section was affected by the pandemic, it was good to get the Bronze students camping on the school grounds in November 2019, and the Gold prepared for their expeditions with maps marked and route cards written.

By the end of August, a number of Gold students decided to opt for the Certificate of Achievement, but 14 keen students are still holding out hope that the Gold expeditions will take place again in summer 2021. During lockdown, it was very impressive to see the way both the bronze and gold student adapted their skill, physical and volunteering sections so they could continue to count whilst working from home.

Sport: Our 1st XV boys' rugby team won 6 out of 11 games, putting up a strong team despite the significant changes to the squad. 24 boys went on tour to the Netherlands. Girls Rugby at the Prep was very popular this year, and many of the boys also progressed with countless exceptional performances. Rowing had a tough year with severe flooding and poor weather taking the early part of 2020 and Covid taking the main season. Girls Hockey across the whole School had a great season, with our senior first team only losing 3 of the 11 games played, and our prep first team winning the Plate Final at IAPS.

Our boys' senior first team also had a strong season, playing 10 games, winning 5 and drawing 2. Sadly, boys' hockey at prep was cut short by the pandemic. Netball continues to thrive across the school with our senior first team securing 7 wins (11 played) and completing a tour to La Manga Sports resort in Spain. At the prep, we made the semi-final of the regional IAPS competition.

Music: We welcomed six new Music Scholars into year 9 in 2019. In November there was a whole school concert and in March we were lucky to welcome international Pianist Valentina Lisitsa to the Senior School. Over 50 pupils were involved in the Chapel Choir, and year 6 joined the senior school for Choral day which formed a choir of almost 150 singers. The whole School also came together for our annual joint concert in November 2019.

Drama: At the Senior School Charles Dickens' Great Expectations was rehearsed and prepared for the end of Lent term, but sadly the children were unable to put on the show. However, they were able to put on 'A matter of Life and Death' in the Michaelmas term. At the Prep, our year 7's put on a performance of 'A Winter's Tale', and several pupils won prizes at the Mid Somerset Festival

Trips: The Dearlove Society took a trip to Kew Gardens and Drama students enjoyed several visits to the Old Vic. Our choir enjoyed trips to the Millennium Centre in Cardiff and Wells Cathedral. Several pupils undertook Ten Tors training. 32 pupils with a keen interest in physics were able to visit CERN. Our year 6 pupils enjoyed Hobbit Day at Oxenwood Outdoor Education Centre.

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Annual Report of the Governors (continued) for the year ended 31 August 2020

Social events: In true Monkton tradition, Senior House Music brought together all our pupils at the senior school to entertain and thrill over 1000 pupils, staff families at the Bath Forum. Our Prep School also held a house music event. We also had our annual field day, which had myriad opportunities for pupils to engage in the CCF activities as well as outdoor education, media and community service.

B. Adapting to the Covid Pandemic

From the very first day of the enforced school closure, Monkton was not only delivering a full teaching programme online, but providing vital pastoral support and important co-curricular activities to ensure our pupils well-being and experience was as positive as possible. Learning and assessment have continued uninterrupted, normal timetables have largely been kept to and teachers have been available for the same amounts of time as they usually are to help and support pupils.

During lessons our teachers have provided creative ideas to keep the pupils engaged and to both embrace the opportunity for pupils to try out new digital experiences, but to also give them a break from this additional screen time and appreciate their surroundings. In English a project to celebrate Shakespeare's 456th birthday saw pupils asked to record their favourite lines and put together a film; 'Wild Monkton' has seen members of our school community come together to celebrate the beauty of the natural world around them; our Year 9 pupils are doing a Page To Stage Project, a joint scheme of work between Drama and Design Technology lessons. These are just some examples of the great work going on.

Other aspects of normal school life have also continued - teachers, tutors and house parents have provided pastoral support, we have added as much as possible of the co-curricular programme to our home learning provision, and staff and pupil meetings and individual lessons for music and learning support have all gone on as normal. Year 12 pupils have still sent in their applications for positions of responsibility next year. These routines and rhythms have helped our pupils to normalise what is an extraordinary situation.

Our student voice and parent voice have played a key role throughout the home learning experience with regular feedback surveys provided to allow them to voice their opinions and suggestions. 86% of pupils and 95% of parents have remained positive throughout the experience. With unauthorised absence from lessons is below 2% which speaks for itself in the way our pupils have fully engaged with home learning.

Our students are also taking the initiative to find ways that they can maintain the Monkton spirit and continue to participate in the things that they are passionate about. Examples include Year 9 students putting together a duologue simply because they love drama; A Year 12 pupil who didn't want to miss out on the Spring Ball so organised a virtual one (complete with fabulous outfits!); another pupil organised a head stand competition to keep up pupils' spirits and give them something fun to do in their down time.

350 people attending one of the first digital assemblies and attempting to sing 'The Lord is My Shepherd' was quite the experience for everyone and really summed up Monkton's sense of community, our unbreakable spirit and (having seen the somewhat imperfect end result) our willingness to accept and learn from failure.

C. School Achievements and performance:

Public Lectures: Events and public lectures were very limited in 2019-20 due to Covid. We did still have three guests attend before the pandemic: Ben McBean, Royal Marine; Dianne Simpson, a personality profiler and graphologist; Seyi Akiwowo, Founder and Director of Glitch NFP. Our annual Knight Lecture was given by OM Chris Anderson, owner of TED talks. At the Prep, pupils welcomed author Julie Edwards to support our creative writing and Francois Louw, international rugby star.

Capital Projects: In order to achieve the School's objectives and to enable the continued pursuit of excellence, including the recruitment and retention of quality staff and pupils, the Governors agreed an ongoing programme of capital improvement projects. Total expenditure on capital projects during the year was £1.3m. This expenditure related primarily to School House (phase 2) and Farm House refurbishments at the Senior School and refurbishments at the Prep School. Capital purchases also included machinery for the Grounds Team, furniture for the boarding houses, IT, boat purchases and work on the Astro all-weather playing area.

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Annual Report of the Governors (continued) for the year ended 31 August 2020

Press and media: We were pleased to be included in the 2021 Tatler Schools Guide concluding its review with "An ambitious development plan is under way... Add to this a cutting-edge website, a growing outreach scheme and an exceptional Head, and Monkton has a very exciting future". Monkton was also shortlisted for Independent School of the year and had glowing reviews in the Good Schools Guide and on Muddy Stilettos.

Inspections: The Independent Schools Inspectorate (ICI) carried out a regulatory compliance inspection in November 2019 and the School met all the standards in the schedule to the Education (ISI) Regulations 2014, the National Minimum Standards for Boarding Schools 2015 and associated requirements in the following areas:

- Quality of education provided;
- Spiritual, moral, social and cultural development of pupils;
- Welfare, health and safety of pupils;
- Suitability of staff, supply staff and proprietors;
- Premises and accommodation;
- Provision of information;
- Manner in which complaints are handled; &
- Quality of leadership and management.

D. Public Benefit

The School is committed to providing public benefit in accordance with charity law and the objects stated in the School's Memorandum and Articles of Association. Therefore, our public benefit initiatives continue to be directed at the promotion of education, including the award of bursaries in cases of financial need. The Governors set aside a proportion of the School's unrestricted funds each year to provide for scholarships and bursaries to support the education of a range of pupils in which emphasis is placed on an assessment of financial means and ability to pay. This year the School awarded £1.840m of scholarships, bursaries and other fee remissions which is 11.6% of gross fee income.

Scholarships: Scholarships are awarded at the Senior and Prep Schools based on academic achievement and achievement in other specified fields, such as sports and music, in scholarship examinations set by the Schools. The value of the award may be further increased via application for a means tested bursary.

Bursaries: Bursaries provide financial support to pupils whose families cannot afford private education, including clergy and missionary families. Applications for bursaries are considered by the Bursar and Principal, on behalf of the Governors, and are awarded based on the financial circumstances of the applicant. All bursaries are means tested and reviewed annually. There is a small number of endowment and restricted funds which provide bursaries to enable pupils who meet certain specified criteria to come to Monkton who would otherwise be unable to do so, on financial grounds.

A limited number of bursaries are also offered each year out of School funds, with the level of assistance offered being means tested and dependent on completion and assessment of a full confidential statement of financial circumstances. There is no fixed limit to the level of assistance provided in any single case, although the School monitors the total amount offered in any one year, taking account of the resources available. Priority is given to children of Clergy or missionaries in line with the School's objects or where special circumstances give rise to a particularly deserving case.

Other Fee Remissions: The School continues to offer fee remissions to a number of specific categories of pupils such as siblings, children of HM Forces personnel (in addition to the MOD's own Continuity of Education Allowance) and children of staff. The efficacy of these schemes for meeting their objectives is kept under regular review.

Royal Springboard Foundation: Monkton is proud to be a partner of the Royal Springboard Foundation to offer a full boarding position to at least one disadvantaged pupil which is free at the point of delivery. Monkton works with RSF to find a pupil that will thrive. This has also encouraged donations to support these pupils.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

Other Public Benefit Initiatives: In addition to the award of bursaries, the School engages in many other activities that provide benefit to the public, within the School's objectives. The Governors attach great importance to the School's relationship with the local community and actively seek ways in which the School's facilities and expertise can be used for the public benefit.

i) Activities aimed at inculcating a desire in our pupils to contribute to the wider community

In addition to the normal educational provision, the School aims to inculcate a desire in our pupils to contribute to the wider community. Activities that encourage Monkton pupils to be good citizens and to give charitably in accordance with the School's published mission and values. Sadly, many events were cancelled as a result of the pandemic, but the giving team were still able to support the Bath Foodbank in the run up to Christmas and participated in charities week, which raised £2226 for the Genesis Trust and Challenge Aid. Monkton partnered with a number of organisations to offer community service. This included three local primary schools and two residential homes.

ii) Activities enabling children and young people who are not pupils at Monkton to benefit from our facilities

Children and young people who are not pupils at the School have also been able to benefit from the School's facilities in the following ways:

- Minis and Muckers Holiday Camps and National Lifeguarding courses plus other children's activity courses run through the school holidays.
- Swim School enables approx. 450 children a week to learn to swim or to improve their swimming skills. In addition to this, private swimming lessons and intensive swimming lessons are also available.
- Turtle tots also have the pool for baby swimming lessons.
- Local schools and other community group use: of pool - currently Combe Down Primary, St Julian's Wellow Shoscombe Primary and Swainswick Primary hold lessons in our pool. Team Bath train in our pool.
- Combe Down Primary School also uses the Prep School playing fields and Astro including using it for their Sports Day. This offer is now open to our local partner schools.
- Music centre is let out to a variety of local groups.
- Charities and Church Groups make use of the School facilities during the summer - this was not possible this summer due to Covid.
- English hockey courses are held at Monkton Prep.
- Birthday "pool parties" available to the local community.
- The School funds an education for a child in care which is free at the point of delivery and supported by joint partnership between the school and her local authority.
- The School works with Royal National Springboard to accept pupils from disadvantaged or vulnerable situations as full boarders.
- Barker College, Buenos Aires visited for a day of sport and culture as part of a wider tour of the UK.
- We ran a six week rowing experience programme for Combe Down Primary School pupils.

iii) Other community use

The School's facilities are also made available for local residents in other ways such as:

- Sports club - around 325 active members from the local community.
- Personal fitness training and strength and conditioning coaching is also available.
- Local groups hire the Knight Sports Centre for a variety of activities such as circuit training, youth basketball, youth football, friends' five a side, Coerver football club (for children), and so on. Local groups also hire the cricket pitches and nets for matches and training; and the artificial turf pitches for hockey tournaments.
- Three local primary schools use the School's swimming pool at a greatly discounted rate.
- Pilates and dance classes are held in the Clarke Swimming Centre.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

- Local clubs are invited to participate in a series of rowing races and the School's "house regatta" is open to all as spectators. Rowing sessions for Old Monktonians have also been hosted at the School.
- Allowing the local community to use our car parking facilities for village events, thus reducing congestion on the village streets.
- The School has maintained a successful mini-bus sharing agreement with Freshford primary school and St Michael's church which will enable them to use Monkton minibuses for trips and sports fixtures
- The School continues to make an indoor space available to Freshford Primary School for storing their go-karts during the winter.
- The Senior School has made an agreement with Freshford that the School's performance spaces are to be used for free by Freshford primary school for their bi-annual Shakespeare performance.
-

iv) Activities with other incidental benefits that are charitable

The School engages with a variety of other activities that, whilst not designed to be directly charitable, do have a positive benefit for the local area. Some examples are provided below.

- Monkton lectures are held regularly and are frequently open to parents and public, along with the School's own Sixth Form. These have been limited by Covid.
- A nurses' conference is hosted at Monkton once a year for local school nurses.
- Work experience opportunities are provided across both the School and sports club for local children/students.
- Induction and training of teachers and NQTs, reducing the cost to the state. Dyslexia and special needs provision at both Prep and Senior School.
- NVQ training courses are provided for Monkton employees, but allowing access to the training by other local employers by arrangement.
- The local community are invited to the School's drama productions.
- The School hosts events for the Bath taps into Science festival.
- Significant conservation and bat mitigation works have been undertaken on the School estate to protect the local environment.
- This year we became A Rocha UK's first school to be a Partner in Action. This means we will work with A Rocha towards a series of conservation goals as well as hosting an intern.
- Invitations to the School's in-house coaching course have been extended to a network of five local partner schools and, after positive uptake from two of these schools, has resulted in plans for wider training led by our CPD coaching lead in Mulberry Park.
- Local maintained schools such as Combe Down primary school hold their annual sports day using Monkton sports grounds, equipment and staff.
- We have developed a formal partnership arrangement with Genesis Trust in Bath, working with them on fundraising events as well as awareness raising and educational opportunities for our pupils. Activities have included a sponsored sleep out and a range of talks and interactive sessions.

E. Future Plans

The School's strategic development and planning review is a live and dynamic exercise which focuses on educational improvements, business performance and estates development. Key points from each of these three areas are as follows:

Educational Plan

- A community empowered by its growth mind-set, consistently evaluating and re-evaluating progress
- Market leading pastoral care, maintaining our role developing the cutting edge of pastorally led Christian education
- Academic development that consistently adds value underpinned by self-knowledge and learning principles

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

- Co-curricular programme which offers both breadth and quality of achievement, enhancing individual strengths and developing specialist achievements
- Strong use of technology for learning, pioneering a sector leading approach to access, screen time and filtering issues, encouraging thoughtful decisions and a healthy relationship with technology

Business Plan

- Well rewarded, effectively working, efficiently deployed, highly trained and sufficiently mobile staff supported by clear management structures and regular ongoing self-reflection and appraisal.
- A growing school with fee revenue maintained at a sustainable and affordable level, increasing boarder numbers and, over time, quality and capacity of provision
- An affordable fee strategy which encourages boarding growth with targeted fee remission which delivers value to full fee paying parents and gives access to Monkton for gifted pupils, families working in Christian Ministry and/or those who would otherwise be unable to afford independent schooling

Estates Plan

- Regular investment to upgrade existing facilities and grow boarding capacity
- Rolling 10 Year Estates Plan to address major development issues
- Defined planned maintenance cycle to address both functional and aesthetic weaknesses
- An overall ambition that all areas of the school inspire the delivery of our education and business plans

F. Financial Review

A summary of the financial results for the period is set out in the consolidated statement of financial activities on page 22 of the financial statements.

Fee income, after scholarships and bursaries, totalled £14,055,011 (2019 - £13,374,647). Scholarships, bursaries, remissions and other grants made to pupils amounted to £1,840,196 (2019 - £1,777,547). At 11.6% of gross fees, these remissions represent a significant investment by the School in meeting its charitable objectives and providing public benefit. Total incoming resources of £16,329,939 (2019 - £15,792,755) are after donations received of £317,999 (2019 - £273,416) and also after gains on disposal of fixed assets of £212,028 (2019 - £144,700).

Total resources expended increased to £15,748,599 (2019 - £15,280,852).

With an overall increase in funds of £905,160 (2019 - £604,317), and effective management of the School's working capital, the Group balance sheet as at 31 August 2020 shows net current liabilities at £1,099,139 (2019 - £1,864,400) and an increase in total net asset balance to £24,138,942 from a prior year total of £23,233,782. Like many schools, the School ends the year with a net current liabilities figure.

The movement in fixed assets during the year are set out in Note 10 to the financial statements. The School spent £1,273,322 (2019 - £1,673,124) on fixed assets, including the refurbishment of pupil boarding accommodation before the School's closure on 20 March 2020 due to the C19 pandemic.

Investment Policy

The School's investment strategy, policy and investment performance is monitored by the Finance & General Purposes Committee. The investments are managed within a strategy which targets long term capital growth from investments with a medium risk. In reviewing the performance of the investments during 2019/20, the Governors note that the capital gain of 14.8% on the prior year investment balance of £2,524,042 exceeds the gain seen in the FTSE 100 during the same period. In 2020/21 the School will be reviewing its investment policies and funds to ensure that they remain appropriate to the long term needs of the School.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

The investments and gains for the year can be analysed as follows:

	Value	Capital gain/(loss)
	£	£
<i>Baillie Gifford Managed Fund</i>	1,887,123	331,038
<i>Baillie Gifford Strategic Bond Fund</i>	1,011,346	45,565
<i>Cash held by Investment Manager</i>	-	(2,176)
Total	2,898,469	374,427

The School received investment income of £50,607 (2019 - £52,065) from these funds.

Reserves

At the balance sheet date, unrestricted funds of the Group totalled £21,952,181 (2019 - 21,465,570). Unrestricted funds are committed to the fixed assets which are the operating assets of the School. Notes 17 and 18 to the financial statements set out an analysis of the assets attributable to the various funds and a description of the funds.

The focus of the Governors in relation to the level of unrestricted reserves required is on working capital and liquidity. With a year-end cash figure of £2,042,316 (2019 - £1,891,128), unrestricted investments of £1,192,841 (2019 - £1,066,761), the Governors are satisfied that the School has sufficient financing available to meet its working capital and investment requirements.

The School's reserves policy is to hold a minimum balance of £1.6m of liquid unrestricted funds (cash and investments) throughout the financial year. This level of funds has been determined through an assessment of the financial risks the School manages (including in relation to its borrowing and day to day operational requirements) and is a level which is regularly assessed by the Governors. As at the 31 August 2020 the School had met this target reserves level.

With regards to the restricted and endowment funds held by the School, these end the year at £2,186,761 and are principally held within the School's investment portfolio.

Fundraising

The School received £317,999 (2019 - £273,416) in income from donations, gifts and legacies during the year. The School recruited a Director of External Relations who started in May 2020 and has developed a new two-year fundraising strategy to evolve the School's fundraising activity, with a goal of increasing annual income to around £350,000.

With regards to the additional disclosures relating to fundraising which are required under the Charities (Protection and Social Investment) Act 2016, we report that:

- The School's fundraising activities are focussed primarily on those individuals and families closely connected to the School (e.g. parents, alumni or other relations) and trust funds whose objectives are closely aligned to those of the School.
- In addition to employees of the School's Development Team, the School also employed a consultant closely associated with the School to assist in fundraising activities.
- We have not received any complaints regarding our fundraising activities.
- All staff involved with fundraising are asked to have due regard to the way in which they carry out fundraising activities associated with the School to ensure that we protect members of the public from behaviour which represents an unreasonable intrusion on a person's privacy; is unreasonably persistent or which places undue pressure on a person to give money or other property.
- The School's fundraising activities are overseen by the Governors through the Executive Committee. The Director of External Relations is line managed by the School's Principal.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

G. Section 172(1) statement – Stakeholder Engagement

The Governors have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the School for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

In discharging their duties above, the Governors carefully consider, amongst other matters, the impact on and interest of other stakeholders in the School and factor these into their decision-making process.

Pupils

Boarding and day pupils alike benefit from the School's excellent pastoral provision with staff placing as much importance on pupils' all-round personal development as they do on academic progress.

Employees

The School recognises that the qualities, skills and commitment of its employees play a major role in the School's success. Regular briefings keep staff informed of School-wide developments, and wide-ranging employee benefits enhance their quality of life. Staff wellbeing has been a key focus this year and will be a continued area of attention, along with equality, diversity and inclusion. Furloughed staff were successfully re-integrated as they returned from an extended period of absence from the site.

Parents

The School recognises the many benefits of engaging with parents and has reimagined its communications with parents over the past twelve months. An historic reliance on written communication has given way to digital innovations such as streaming live and recorded audio-visual events and podcasts.

Community

The School is proud of its place in the local community and conscious that it has a significantly beneficial impact on the local economy and on local cultural life.

Greenhouse Gas (GHG) Emissions and energy consumption

During the year, the School has continued to implement changes and improvements in energy efficiency and environmental actions across the estate, using the Energy Saving Opportunities (ESOS Phase 2) energy surveys as its basis.

This included replacing lighting within the boarding houses with energy-efficient LED lighting. This replacement programme has also extended to academic buildings and will progress during the next academic year.

In addition, we have re-assessed the replacement and maintenance programme for existing heating installations, providing improved local control and an increased level of energy monitoring across the estate.

We continue to work hard to increase staff awareness across the School both in terms of energy usage, waste and environmental good practice. We continue to monitor the use of buildings.

Due to the COVID-19 pandemic, on-site operations over the last year have been reduced with 'Virtual' functioning during the lockdown period. The increased level of working from home significantly reduced the need for commuting.

It was decided to use total number of pupils as the **intensity ratio**. The resulting intensity ratio of tCO₂e per number of pupils will best reflect changes in operation and energy consumption over time.

We have used the **financial control** approach as the organisational boundary.

Whilst we recognise that we have the option to exclude from our report any energy and carbon information relating to a subsidiary which the subsidiary would not itself be obliged to include if reporting on its own account, we have decided not to exercise this option.

Energy and carbon information therefore includes that of Monkton Combe School Enterprises Ltd, company number 03588426 (which operates the swimming pool at the sports centre at the Prep School site).

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

- The methodology we have used is The GHG Protocol Corporate Accounting and Reporting Standard.
- We have followed the 2013 UK Government Environmental Reporting Guidelines (updated March 2019).
- We have used the 2020 UK Government's Conversion Factors for Company Reporting.
- The energy efficiency narrative methodology has been created based on energy management best practice.
- We have measured scope 1 and 2 emissions and included scope 3 emissions related to employee use of their own vehicles, where they claim mileage allowance ('grey fleet').

Energy and Carbon Calculation

FY 2019/20				
Type of emission	Activity	kWh	tCO2e	% of total
Scope 1	Natural gas	4,802,074	882.96	72.15%
	Vehicle fleet	115,422	27.77	2.27%
	Sub-total	4,917,496	910.73	74.42%
Scope 2	Electricity	1,334,098	311.03	25.41%
	Sub-total	1,334,098	311.03	25.41%
Scope 3	Grey fleet	8,266	2.05	0.17%
	Sub-total	8,266	2.05	0.17%
Total gross consumption and emissions		6,259,860	1,223.81	100.00%
Metric used:				
Number of pupils			718	
Intensity ratio:				
tonnes of CO2e per Number of pupils			1.70	

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

H. Subsidiary Companies

Monkton Combe School Enterprises Ltd

The School's wholly-owned trading subsidiary, Monkton Combe School Enterprises Ltd, carries out non-charitable trading activities for the School. The company has made a gift aid payment of £55,441 (2019 - £103,212) to the School, thereby transferring all its taxable profits to the School. The School has made an interest-bearing loan to the subsidiary, secured on the assets of the subsidiary. This amounted to £311,500 (2019 - £311,500) at the period-end. The subsidiary also owed the School £297,079 at 31 August 2020 (2019 - £202,478).

Monkton International Ltd

The School is a 100% shareholder in this company set up to undertake the international strategy of Monkton Combe School. The company had no income in the year and incurred costs of £7,599 in relation to legal and professional fees. These were paid by the School. The company was incorporated on 18th January 2017 and was dormant until 31st August 2018. The subsidiary also owed the School £8,720 at 31 August 2020 (2019 - £83,401).

I. Risk Management

The Governors give consideration to the major risks to which the School and its subsidiary are exposed. Processes have been established to identify, evaluate and monitor major strategic, business and operational risks and to mitigate these where possible, and procedures and contingency plans are implemented to minimise any potential impact on the School and the Group should any of those risks materialise.

Principal Risks and Uncertainties

Through the above processes, the Governors are satisfied that the major risks identified have been, and are continuing to be, adequately addressed, with appropriate controls put in place to mitigate them and contingency plans where necessary. These risks include compliance with borrowing covenants and ensuring that the School addresses all of the requirements of Health & Safety legislation, employment law and its regulators, including the Independent Schools Inspectorate and Charity Commission.

The Governors recognise that the Covid-19 pandemic, declared by the WHO as a pandemic on 11th March 2020, posed a risk to the School, especially following the Government's instruction that all schools should close their buildings from Friday, 20th March 2020 for an indefinite period. The Governors considered a range of possible scenarios relating to the impact of the pandemic and the School undertook a number of actions aimed at mitigating this risk. These include:

- Introducing a comprehensive on-line education provision so as to enable the School to continue to be able to deliver educational and pastoral support to its pupils to the fullest extent possible during any lockdown;
- Reviewing all financial commitments, including operating expenditure and capital commitments and, where possible and appropriate, cancelling or postponing these; and
- Performing detailed financial modelling for a period of at least 12 months from the date these financial statements are approved so as to provide reasonable assurance to Governors that the School remains a going concern and retains access to sufficient liquid resources. Given the risks and the financial modelling, the Governors believe the School has sufficient cash headroom from its cash reserves and banking facilities.

J. Auditors

A resolution to reappoint Crowe UK LLP as auditors to the School will be proposed at the annual general meeting.

Monkton Combe School

Annual Report of the Governors (continued) for the year ended 31 August 2020

K. Appreciation

The Governors continue to appreciate the support, both practical and financial, of existing and past parents, existing and past members of staff, and former pupils of the School and other donors and benefactors. Their contributions enable the School to do far more than would be possible if all activities and developments had to be financed solely from the School's fee and trading income.

L. Declaration

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Monkton Combe School on 19th March 2021, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



19/3/21

Prof H Langton
Chair

Date:

Monkton Combe School

Independent Auditor's Report to the Members of Monkton Combe School

Independent Auditor's Report to the Members of Monkton Combe School

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2020 and of the group's incoming resources and application of resources 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.

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 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 annual report, other than the financial statements and our auditor's report thereon. 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.

Monkton Combe School

Independent Auditor's Report to the Members of Monkton Combe School (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Governors' 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:

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

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 7, 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 or the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Monkton Combe School

Independent Auditor's Report to the Members of Monkton Combe School (continued)

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.

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.



Guy Biggin

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House, Lypiatt Road

Cheltenham, Gloucestershire, GL50 2QJ

Date: 9 April 2021

Monkton Combe School

Consolidated Statement of Financial Activities for the year ended 31 August 2020 (incorporating a Consolidated Income and Expenditure Account)

	Notes	Unrestricted funds £	Restricted funds £	Endowed Funds £	2020 £	2019 £
Income from:						
- Donations and Legacies						
Donations, gifts and legacies	2	51,867	266,132	-	317,999	273,416
- Other trading activities						
Trading income	5	270,362	-	-	270,362	754,095
Gain on disposal of fixed assets	4	212,028	-	-	212,028	144,700
Other incoming resources	4	729,199	-	-	729,199	299,859
- Investments						
Investment income	6	17,055	33,552	-	50,607	52,065
- Charitable Activities						
Fee income	3a	14,055,011	-	-	14,055,011	13,374,647
Other educational income	3b	694,733	-	-	694,733	893,973
Total income		16,030,255	299,684	-	16,329,939	15,792,755
Expenditure on:						
- Raising funds						
Marketing and Trading		422,249	-	-	422,249	939,664
Finance costs	9	138,779	-	-	138,779	91,244
- Charitable activities						
Costs of providing education		15,091,641	95,930	-	15,187,571	14,249,944
Total expenditure	7	15,652,669	95,930	-	15,748,599	15,280,852
Net income before investment gains		377,586	203,754	-	581,340	511,903
Gain on investments	11	109,025	87,168	127,627	323,820	92,414
Net income		486,611	290,922	127,627	905,160	604,317
Transfers between funds		-	-	-	-	-
Net movement in funds		486,611	290,922	127,627	905,160	604,317
Fund balances brought forward	17	21,465,570	794,740	973,472	23,233,782	22,629,465
Fund balances carried forward	17	21,952,181	1,085,662	1,101,099	24,138,942	23,233,782

The notes on pages 25 to 48 form part of these financial statements.

Monkton Combe School

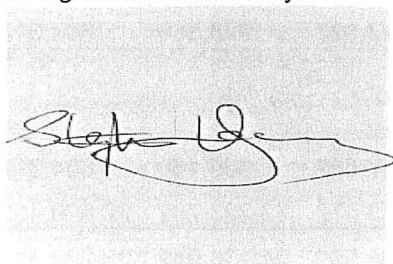
Registered number 03228456

Balance Sheets as at 31 August 2020

		Group		School	
	Notes	2020 £	2019 £	2020 £	2019 £
Fixed assets					
Tangible assets	10	25,416,523	25,811,958	25,216,523	25,611,958
Investments	11	2,898,469	2,524,042	2,898,472	2,524,045
		28,314,992	28,336,000	28,114,995	28,136,003
Current assets					
Stocks	12	21,256	15,120	20,113	15,120
Debtors	13	641,175	1,114,497	1,240,559	1,531,209
Cash at bank and in hand		2,042,316	1,891,128	1,898,529	1,780,596
		2,704,747	3,020,745	3,159,201	3,326,925
Creditors: amounts falling due within one year	14	(3,803,886)	(4,885,145)	(3,937,594)	(4,878,178)
Net current liabilities		(1,099,139)	(1,864,400)	(778,393)	(1,551,253)
Total assets less current liabilities		27,215,853	26,471,600	27,336,602	26,584,750
Creditors: amounts falling due after one year	15	(3,076,911)	(3,237,818)	(3,076,911)	(3,237,818)
Net assets		24,138,942	23,233,782	24,259,691	23,346,932
Capital and reserves:	17				
Endowed reserves		1,101,099	973,472	1,101,099	973,472
Restricted reserves		1,085,662	794,740	1,085,662	794,740
Unrestricted funds		21,952,181	21,465,570	22,072,930	21,578,720
Total funds		24,138,942	23,233,782	24,259,691	23,346,932

The net movement in funds for the school were £912,759 (2019: £604,015).

The financial statements on pages 22 to 48 were approved and authorised for issue by the board of Governors and are signed on its behalf by:



S B M Young
Governor

Date: 19th March 2021

Monkton Combe School

Consolidated cash flow statement for the year ended 31 August 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	894,692	1,121,614
Cash flow from investing activities			
Interest received	4	1,271	6,099
Investment income received	6	50,607	52,065
Purchase of tangible fixed assets		(1,273,322)	(1,673,124)
Proceeds on sale of tangible fixed assets		810,000	174,700
Purchase of investments	11	(50,607)	(52,065)
Net cash used in investing activities		(462,051)	(1,492,325)
Cash flows from financing activities			
Loan repayments		(276,358)	(283,462)
Interest paid	9	(138,779)	(91,244)
Receipt of advanced fees		321,017	17,304
Release of advanced fees	16	(187,333)	(39,588)
Net cash used in financing activities		(281,453)	(396,990)
(Decrease) / increase in cash in the year		151,188	(767,701)
Cash and cash equivalents at the beginning of the period		1,891,128	2,658,829
Cash and cash equivalents at the end of the reporting period		2,042,316	1,891,128

Analysis of net debt		2020	2019
		£	£
Total debt (see note 15)		(3,231,393)	(3,507,786)
Net debt (total debt less cash and cash equivalents)		(1,189,077)	(1,616,658)

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020

1 Principal accounting policies

Legal status of the Charity

The School is a Public Benefit Entity registered as a charity in England and Wales and a company limited by guarantee. Monkton Combe School is registered in England & Wales with the Charity Commission (Reg No: 1057185) and with Companies House (Reg No: 03228456). The charitable company was incorporated on 11 July 1996 and has no share capital. The members of the company are the Governors named on page 2. In the event of the company being wound up, the liability in respect of the guarantee for each member is limited to £1. At the balance sheet date there were 14 members.

Registered and Principle Office

The registered and principle office of Monkton Combe School is: Monkton Combe School, Church Lane, Monkton Combe, Bath, BA2 7HG.

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) – effective 1 January 2019 (Charities SORP FRS 102).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments.

The charity has taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Cash Flow Statement with the consolidated financial statements.

Monkton Combe School meets the definition of a Public Benefit Entity under FRS 102.

Going concern

At the balance sheet date, the School held cash of £2,042,316 (2019: £1,891,128), unrestricted investments of £1,192,841 (2019: £1,066,761). There was no requirement to avail of an overdraft facility at the Balance Sheet date. The Governors have reviewed forecasts for a period ending twelve months from the date of approval of these financial statements. Most notably, the Governors have also considered the impact of the Covid-19 pandemic which is highlighted in the 'Principal Risks and Uncertainties' Section of the Governors Report. Following the completion of these reviews, the Governors are confident that the group will be able to satisfy its debts as they fall due and that sufficient action has and will be taken by the Group to help ensure there are no material uncertainties about the School's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated cash flow statement include the financial statements of the School and its subsidiary undertakings detailed on page 29 made up to 31 August 2020, consolidated on a line by line basis. Intra group transactions and profits are eliminated fully on consolidation.

No separate SOFA has been presented for the School alone as permitted by Section 408 of the Companies Act 2006 and SORP FRS 102. Net incoming resources includes £857,318 (2019: £460,406) attributable to the School which includes investment gains of £323,820 (2019: £92,414) and excludes gift aid income from subsidiary companies of £55,441 (2019: £143,609). The income for the School before investment gains was £16,130,791 (2019: £15,521,223) and the expenditure was £15,541,852 (2019: £15,153,231).

Significant Estimates and Judgements

In the application of the School's accounting policies, which are described in note 1, Governors are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

Principal accounting policies (continued)

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

In the view of the Governors, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

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

Donations, legacies and gifts in kind

Donations and legacies are credited to revenue on a receivable basis as and when entitlement arises and the amount can be reliably measured and receipt is probable. Legacies are accounted for on receipt of correspondence from the personal representative indicating that payment of the legacy will be made. Gifts in kind are valued at a reasonable estimate of their value to the School. No amounts are included in the financial statements for services donated by volunteers.

Fees

Fee income represents gross fees, less scholarships, bursaries and other remissions for the provision of education including extra-curricular activities.

Investment & trading income

Income from the School's investments and trading operations are recognised on a receivable basis.

Advanced fees

The School offers parents the opportunity to pay for tuition fees in advance in accordance with a written contract. The amount received is invested until the fees for each School term are charged against the remaining balance and taken to income.

Final term deposits

Final term deposits are deposits placed when pupils join the School which are offset against fees and disbursements due for the last term each pupil attends. All deposits are treated as deferred income and classified as creditors.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to the activity in the year, by reference to staff time or other cost drivers as appropriate. Costs of generating funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Bursaries, grants and allowances payable

Grants from restricted funds are included as expenditure in the year for which the award is given. Bursaries and allowances from unrestricted funds towards School fees at the School are treated as a reduction in those fees.

Support costs

Support costs comprise direct costs, including staff which are all attributed to the costs of providing education.

Taxation

The School is a registered charity and as such is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

Principal accounting policies (continued)

Governance costs

Governance costs include expenditure on governance of the School and compliance with constitutional and statutory requirements, and an appropriate apportionment of indirect costs.

Irrecoverable VAT

Any irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

Foreign currencies

Transactions in foreign currencies are recorded at the GBP rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the Balance Sheet date. All differences are taken to the Statement of Financial Activities.

Creditors

Creditors are recognised where the School has a present obligation which results from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or readily estimated.

Fund accounting

Unrestricted funds are available for use at the discretion of the Governors in furtherance of the general objectives of the School and have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the School for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are funds for which the capital must be retained in accordance with the specific restrictions imposed by donors. The aim and use of each endowment fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

Pension costs

The School contributes to the Teacher's Superannuation Scheme at rates set by the Scheme Actuary and advised to the Governors by the Scheme Administrator. The scheme is a multi-employer defined benefit scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the School. Hence, contributions are charged in the year they are incurred as if they were to a defined contribution scheme as required by FRS 102. The School also contributes to a defined contribution scheme for non-teaching staff. Other than these annual costs, no other liabilities arise to the School in relation to pensions.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease terms.

Tangible fixed assets

Capitalisation and replacement

All tangible fixed assets are held at historic cost or deemed cost less depreciation. Assets with a cost below £500 are not capitalised. Certain inalienable assets donated to the School have been included on the Balance Sheet within Furniture & Plant at their 2000 valuation of £2,200, which is the best estimate of cost.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

Principal accounting policies (continued)

Tangible fixed assets (continued)

Depreciation

Land is not depreciated. Depreciation of other assets is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned. Fixed assets in the course of construction are not depreciated until they are brought into use. The principal annual rates used for this purpose on a straight line basis are:

Inalienable assets	Nil
Freehold land	Nil
Buildings	2%
Plant and equipment	10%
Furniture and fixtures and motor vehicles	20%
Computer equipment	33 $\frac{1}{3}$ %
Rowing and sports equipment	25%

Investments

Investments in subsidiary undertakings are stated at cost, but are written down to their realisable value if it is considered that there has been a permanent diminution in their value.

Listed investments are included at closing mid-market value at the Balance Sheet date. Any realised and unrealised gains and losses on revaluation or disposals are shown in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is received.

Stocks

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

Debtors

Short term debtors are initially measured at transaction price, less any impairment.

Short-term bank deposits and cash

Short-term bank deposits and cash includes cash in hand, deposits held with banks and other highly liquid short-term deposits.

Financial Instruments

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

Termination payments

Payments made to employees on termination of employment may be subject to PAYE and NICs depending on what the payment is for. The nature of the payment is determined by reviewing the employment contract and any other relevant documentation such as the staff handbook and any negotiations between the employee and the School and any compromise or settlement agreement.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

2 Donations, gifts and legacies

Group	2020 £	2019 £
Individuals	93,646	77,074
Legacies	500	179,186
Charitable foundations	223,853	17,156
	317,999	273,416

3a Fee income

Group	2020 £	2019 £
Gross Fees*	15,799,277	14,855,210
Less: scholarships, bursaries and other remissions granted	(1,840,196)	(1,777,547)
	13,959,081	13,077,663
Add back: scholarships, bursaries and other remissions granted, funded by restricted funds	95,930	296,984
	14,055,011	13,374,647

*Before Summer Term discounts of £762,431 were deducted due to the School's closure on 20 March 2020 from the Covid-19 pandemic. This discount is included as a teaching cost in expenditure (note 7 page 32).

	2020	2019
Pupil Numbers	718	656
Average gross fees per pupil before Summer Term discount	£22,005	£22,645

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

3b Other educational income

	2020	2019
	£	£
Registration fees	23,853	28,350
Occasional boarding	15,714	30,836
After school care	3,994	11,711
Prep activities	10,093	16,739
English as a second language	102,391	100,989
Learning support	74,726	89,932
Music	39,144	19,307
Instrument Hire	1,980	1,410
Fees in lieu of notice	25,200	69,837
Scholarship exam fees	2,160	2,920
Pupil insurances *	-	80,864
Trips, activities and consumables	395,478	441,078
	694,733	893,973

*The school ceased providing pupil insurance services in August 2019

4 Other income

	2020	2019
	£	£
Overdue account interest	1,271	6,099
Gain on disposal of fixed assets	212,028	144,700
Rent and lettings	55,235	83,576
HMRC Job Retention Scheme	606,452	-
Sundry income – including income from School trips	66,241	210,184
	941,227	444,559

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

5 Trading income

The School owns the whole of the ordinary share capital, consisting of two ordinary shares of £1 each, of Monkton Combe School Enterprises Limited (company number: 03588426), whose principal activity is to carry out trading activities on behalf of the School.

The School also owns the whole of the ordinary share capital, consisting of one ordinary share of £1, of Monkton International Limited (company number: 10570416), whose principal activity is to carry out educational activities overseas on behalf of the School. The company did not carry out any educational activities in the year to 31 August 2020.

Both subsidiaries donate all of their taxable profits to the School each year by gift aid. The registered office of the subsidiaries is Monkton Combe School, Monkton Combe, Bath, BA2 7HG.

Trading income in the Statement of Financial Activities includes the results of the subsidiary companies, as well as the results of the School's own commercial department, as shown below:

Group	Subsidiary Enterprises	Subsidiary International	School trading	Consolidation adjustments	2020	2019
	£	£	£	£	£	£
Income	321,196	-	53,620	(104,454)	270,362	754,095
Expenditure	(265,755)	(7,599)	(57,976)	36,420	(294,910)	(701,428)
Charitable contribution	(55,441)	-	-	55,441	-	-
Retained (deficit) / surplus for the year	-	(7,599)	(4,356)	(12,593)	(24,548)	52,667

The assets and liabilities of Monkton Combe School Enterprises Limited are as follows:

	2020 £	2019 £
Aggregate assets	552,157	409,293
Aggregate liabilities	(665,308)	(522,444)
Net liabilities	(113,151)	(113,151)

The assets and liabilities of Monkton International Limited are as follows:

	2020 £	2019 £
Aggregate assets	1,122	89,990
Aggregate liabilities	(8,720)	(89,989)
Net liabilities	(7,598)	1

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

6 Investment income

	2020	2019
	£	£
Interest on investments	50,607	52,065

7 Analysis of expenditure

(a) Total Expenditure

	Staff costs	Other costs	Depreciation	2020	2019
	£	£	£	£	£
Cost of generating funds:					
Trading	227,801	60,418	6,691	294,910	701,428
Finance costs	-	138,779	-	138,779	91,244
Marketing & publicity	28,926	98,413	-	127,339	238,236
	256,727	297,610	6,691	561,028	1,030,908
Charitable activities:					
Costs of providing education					
Teaching	5,777,221	2,184,146	720,770	8,682,137	7,360,789
Welfare	1,664,864	775,735	41,156	2,481,755	2,421,793
Premises	936,486	929,987	315,262	2,181,735	2,125,849
Support costs & Governance	838,191	1,003,753	-	1,841,944	2,341,513
	9,216,762	4,893,621	1,077,188	15,187,571	14,249,944
Total expenditure	9,473,489	5,191,231	1,083,879	15,748,599	15,280,852

(b) Governance included in support costs

	2020	2019
	£	£
Governors expenses	7,413	17,775
Bursary governance cost apportionment	78,012	61,008
Auditor's remuneration – audit services	55,320	36,600
Auditor's remuneration – non audit services	2,240	11,040
	142,985	126,423

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

8 Employee information

Group	2020 Number	2019 Number
The average headcount of employees, excluding Directors, but including part-time staff employed by the Group during the year was:		
Education	137	133
Support	114	112
Catering *	43	17
Fundraising	1	1
Marketing and publicity	5	5
Trading activities	35	39
	335	307

* The catering staff were brought in-house in April 2019. The catering function at the School was previously outsourced.

Group	2020 £	2019 £
Staff costs		
Wages and salaries	7,804,131	6,987,611
Social security costs	677,086	660,902
Pension costs	992,272	732,439
	9,473,489	8,380,952

During the year there were termination payments made to five (2019: two) employees which amounted to £51,500 (2019: £7,100). There was £25,000 outstanding at the year-end (2019: £nil).

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

Group	2020 Number	2019 Number
£60,001 - £70,000	3	1
£70,001 - £80,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£140,001 - £150,000	1	1

Aggregate remuneration and benefits of the 10 (2019: 6) key management personnel totalled £880,326 (2019: £556,869). This relates to the Principal, Vice Principal, Bursar, Interim Bursar, Deputy Head Learning, Deputy Head Pastoral, Prep School & Pre Prep Heads, Director of External Relations and Director of People (2019: Principal, Bursar, Prep School Head, Pre-Prep Head, Director of External Relations and Director of People).

No Governors received any remuneration from the Group during the period. Six Governors received reimbursement totalling £2,511 (2019: £4,485) for travel expenses.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

9 Financing costs

Group	2020	2019
	£	£
Interest payable and similar charges		
Discount on fees in advance	15,474	17,335
On bank overdrafts and bank loans including arrangement fees	123,305	73,909
	138,779	91,244

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

10 Tangible fixed assets

Group	Freehold land £	Buildings £	Furniture and plant £	Assets under construction £	Total £
Cost or valuation					
At 31 August 2019	275,000	29,182,050	5,407,426	1,243,194	36,107,670
Additions	-	-	691,640	581,682	1,273,322
Transfers	-	1,824,876	-	(1,824,876)	-
Disposals	-	(750,237)	(3,402,219)	-	(4,152,456)
At 31 August 2020	275,000	30,256,689	2,696,847	-	33,228,536
Depreciation					
At 31 August 2019	-	5,999,824	4,295,888	-	10,295,712
Charge in year	-	621,401	462,478	-	1,083,879
Disposals	-	(165,359)	(3,402,219)	-	(3,567,578)
At 31 August 2020	-	6,455,866	1,356,147	-	7,812,013
Net book amount					
At 31 August 2020	275,000	23,800,823	1,340,700	-	25,416,523
At 31 August 2019	275,000	23,182,226	1,111,538	1,243,194	25,811,958

School	Freehold land £	Buildings £	Furniture and plant £	Assets under construction £	Total £
Cost or valuation					
At 31 August 2019	75,000	29,065,198	5,381,208	1,243,194	35,764,600
Additions	-	-	691,640	581,682	1,273,322
Transfers	-	1,824,876	-	(1,824,876)	-
Disposals	-	(750,237)	(3,402,219)	-	(4,152,456)
At 31 August 2020	75,000	30,139,837	2,670,629	-	32,885,466
Depreciation					
At 31 August 2019	-	5,882,972	4,269,670	-	10,152,642
Charge in year	-	621,401	462,478	-	1,083,879
Disposals	-	(165,359)	(3,402,219)	-	(3,567,578)
At 31 August 2020	-	6,339,014	1,329,929	-	7,668,943
Net book value					
At 31 August 2020	75,000	23,800,823	1,340,700	-	25,216,523
At 31 August 2019	75,000	23,182,226	1,111,538	1,243,194	25,611,958

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

10 Tangible fixed assets (continued)

- a) The net book value of assets acquired under finance leases at 31 August 2020 was £22,114 (2019: £60,568).

11 Fixed asset investments

Group	Listed investments
	£
Market Value	
At 1 September 2019	2,524,042
Additions	50,607
Disposal	-
Revaluation gains	323,820
Net book value	
At 31 August 2020	2,898,469
Net book value	
At 31 August 2019	2,524,042

School	Listed investments	Investment in subsidiaries	Total
	£	£	£
Market Value			
At 1 September 2019	2,524,042	3	2,524,045
Additions	50,607	-	50,607
Disposal	-	-	-
Revaluation gains	323,820	-	323,820
Net book value			
At 31 August 2020	2,898,469	3	2,898,472
Net book value			
At 31 August 2019	2,524,042	3	2,524,045

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

11 Fixed asset investments (continued)

All investments are stated at their market value at 31 August 2020. The historical cost of the listed investments at 31 August 2020 was £1,233,610 (2019: £1,183,003) for the Group and £1,233,610 (2019: £1,183,003) for the School. 65.1% (2019: 61.7%) of the market value of investments held in both the Group and the School are in Baillie Gifford Managed Fund B Income. The remaining 34.9% (2019: 38.3%) of the investments is held in the Baillie Gifford Strategic Bond Fund B Income. All investments are held in the United Kingdom.

For details of the subsidiary companies see note 5.

12 Stocks

	Group		School	
	2020 £	2019 £	2020 £	2019 £
Catering, stationery and consumables	21,256	15,120	20,113	15,120

13 Debtors

	Group		School	
	2020 £	2019 £	2020 £	2019 £
Debtors: amounts falling due after more than one year				
Loan to subsidiary	-	-	311,500	311,500
Debtors: amounts falling due within one year				
Fee debtors	222,191	269,567	222,191	269,567
Trade debtors	88,391	285,391	70,478	104,724
Amounts due from subsidiary and associated undertakings	-	-	305,799	285,879
Other debtors and prepayments	330,593	559,539	330,591	559,539
	641,175	1,114,497	1,240,559	1,531,209

Fees invoiced in advance are shown within creditors and amounts previously invoiced but not received by the Balance Sheet date are shown above as fee debtors. The bad debt provision on fee debtors was £304,846 (2019: £42,559) and the provision is included within fee debtors.

The loan to the subsidiary is repayable on demand and bears interest at 6% per annum. Monkton Combe School has confirmed that repayment will not be sought within one year.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

14 Creditors: amounts falling due within one year

	Group		School	
	2020 £	2019 £	2020 £	2019 £
Bank loan (see note 15)	280,230	288,344	280,230	288,344
Fees received in advance (see note 16)	68,796	45,390	68,796	45,390
Trade creditors	405,541	743,144	353,247	739,101
Taxation and social security	204,832	182,013	204,738	174,905
Pension contributions due	120,900	96,271	120,900	96,271
Amounts owed to subsidiary and associated undertakings	-	-	190,437	8,084
Other creditors	905,037	1,115,035	905,037	1,115,035
Accruals and deferred income (see note 14a)	1,818,550	2,414,948	1,814,209	2,411,048
	3,803,886	4,885,145	3,937,594	4,878,178

14a Deferred income

	£
Brought forward	2,145,107
Utilised in year	(2,145,107)
Newly deferred	1,641,242
Carried forward	1,641,242

15 Creditors: amounts falling due after more than one year

	Group		School	
	2020 £	2019 £	2020 £	2019 £
Fees received in advance (see note 16)	125,748	18,376	125,748	18,376
Bank loan (see below)	2,951,163	3,219,442	2,951,163	3,219,442
	3,076,911	3,237,818	3,076,911	3,237,818

The bank loans and overdraft are secured by way of legal charges over several of the School properties. The loans are repayable in equal monthly instalments, until dates between 2022 and 2028. Interest is payable on the loans at a fixed rate of 1% per annum above base rate for loans expiring in 2028 and at a fixed rate of 2.98% per annum expiring in 2030. The net book value over which security is held is £23,800,823 (2019: £23,182,226).

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

15 Creditors: amounts falling due after more than one year (continued)

Maturity of loans

Group and School	2020	2019
	£	£
In 1 year or less, or on demand	280,230	288,344
In more than 1 year, but not more than 2 years	285,343	294,448
In more than 2 years, but not more than five years	887,893	2,238,196
In more than five years	1,777,927	686,798
	3,231,393	3,507,786
Included in creditors; amounts falling due within one year	280,230	288,344
Included in creditors; amounts falling due after more than one year	2,951,163	3,219,442

16 Advanced fees

Parents may pay to the School up to the equivalent of seven years' tuition fees in advance. Such payments may be returned, subject to specific conditions, on the receipt of one term's notice. Assuming pupils remain in the advance fees payment scheme, payments will be applied to offset fees as follows:

Group and School	2020	2019
	£	£
Greater than 5 years	-	-
Within 2 to 5 years	86,382	-
Within 1 to 2 years	39,366	18,376
Within more than 1 year	125,748	18,376
Within 1 year	68,796	45,390
	194,544	63,766

Advance fees due within one year are included in note 14, which also includes other fee income paid in advance of future years.

The balance represents the accrued liability under the contracts.

The capital movements during the period were:

Group and School	2020
	£
As at 1 September 2019	63,766
New contracts	195,271
Amounts accrued to contracts	122,840
Less amounts utilised in payment of fees to the School	(187,333)
Less amounts refunded to parents	-
As at 31 August 2020	194,544

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

17 Funds

Group	Balance 1 Sept 2019 £	Income £	Expenditure £	Investment Gains/ (Losses) £	Balance 31 August 2020 £
Permanent endowment funds					
Butler endowment	264,556	-	-	34,656	299,212
Governor's Bursary Fund	81,754	-	-	10,710	92,464
Other scholarship and bursary endowments	627,162	-	-	82,261	709,423
	973,472	-	-	127,627	1,101,099
Restricted funds					
Butler income	24,094	5,993	(33,440)	3,691	338
Other scholarship and bursary income funds	544,918	57,444	(62,390)	83,477	623,449
All Weather Pitch	-	10,000	-	-	10,000
Equestrian Centre	10,400	-	-	-	10,400
For A Time Such As This	-	15,529	-	-	15,529
Kingsmill Prize	-	500	-	-	500
Mount Pleasant Quarry fund	200,000	-	-	-	200,000
Random Acts of Garrod	-	14,900	(100)	-	14,800
School Cricket Fund	10,328	-	-	-	10,328
Springboard Bursary	-	193,968	-	-	193,968
Wessex Water Pond Project	-	250	-	-	250
Performing Arts Centre	4,000	100	-	-	4,100
Blueprint Developments	1,000	1,000	-	-	2,000
	794,740	299,684	(95,930)	87,168	1,085,662
Unrestricted funds					
Trading subsidiary companies – note 5	(113,153)	321,196	(328,795)	-	(120,752)
Other unrestricted funds: School	21,578,723	15,819,941	(15,434,756)	109,025	22,072,933
Charitable contribution: elimination	-	(55,441)	55,441	-	-
	21,465,570	16,085,696	(15,708,110)	109,025	21,952,181
Total funds	23,233,782	16,385,380	(15,804,040)	323,820	24,138,942

The reserves relating to the School amount to £24,259,691 (2019: £23,346,932).

The above funds are those of the Group.

The permanent endowment arose from gifts which are invested such that the income arising can finance the award of bursaries and scholarships to children attending the School. The income generated from such investments is recognised within the relevant restricted fund attached to the endowment.

The restricted funds were gifted to the School for the purposes detailed above.

The unrestricted funds of the School exceed the Group unrestricted funds due to the provision for the net liabilities of the trading subsidiary.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

17a Comparative Funds (continued)

Group	Balance 1 Sept 2018 £	Income £	Expenditure £	Investment Gains/ (Losses) £	Balance 31 August 2019 £
Permanent endowment funds					
Butler endowment	254,666	-	-	9,890	264,556
Governor's Bursary Fund	78,698	-	-	3,056	81,754
Other scholarship and bursary endowments	603,715	-	-	23,447	627,162
	937,079	-	-	36,393	973,472
Restricted funds					
Butler income	35,985	6,245	(19,315)	1,179	24,094
Other scholarship and bursary income funds	713,007	86,210	(277,669)	23,370	544,918
Equestrian Centre	-	10,400	-	-	10,400
Mount Pleasant Quarry fund	200,000	-	-	-	200,000
School Cricket Fund	10,000	-	-	328	10,328
Performing Arts Centre	-	4,000	-	-	4,000
Blueprint Developments	-	1,000	-	-	1,000
	958,992	107,855	(296,984)	24,877	794,740
Unrestricted funds					
Trading subsidiary companies – note 5	(113,153)	271,230	(271,230)	-	(113,153)
Other unrestricted funds: School	20,846,547	15,557,279	(14,856,247)	31,144	21,578,723
Charitable contribution: elimination	-	(143,609)	143,609	-	-
	20,733,394	15,684,900	(14,983,868)	31,144	21,465,570
Total funds	22,629,465	15,792,755	(15,280,852)	92,414	23,233,782

The reserves relating to the School amount to £23,346,932 (2018: £22,742,917).

The above funds are those of the Group.

The permanent endowment arose from gifts which are invested such that the income arising can finance the award of bursaries and scholarships to children attending the School. The income generated from such investments is recognised within the relevant restricted fund attached to the endowment.

The restricted funds were gifted to the School for the purposes detailed above.

The unrestricted funds of the School exceed the Group unrestricted funds due to the provision for the net liabilities of the trading subsidiary.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

18 Allocation of the Group's net assets

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

	Tangible fixed assets	Investments	Net current assets/(liabilities)	Long term (liabilities)	Total 2020
	£	£	£	£	£
Endowment funds	-	1,101,099	-	-	1,101,099
Restricted funds	200,000	604,529	281,133	-	1,085,662
Unrestricted funds	25,216,523	1,192,841	(1,380,272)	(3,076,911)	21,952,181
At 31 August 2020	25,416,523	2,898,469	(1,099,139)	(3,076,911)	24,138,942

18a Comparative Allocation of the Group's net assets

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

	Tangible fixed assets	Investments	Net current assets/(liabilities)	Long term (liabilities)	Total 2019
	£	£	£	£	£
Endowment funds	-	973,472	-	-	973,472
Restricted funds	200,000	483,809	110,931	-	794,740
Unrestricted funds	25,611,958	1,066,761	(1,975,331)	(3,237,818)	21,465,570
At 31 August 2019	25,811,958	2,524,042	(1,864,400)	(3,237,818)	23,233,782

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

19 Pensions commitments

Teachers' Pension Scheme

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £765,267 (2019: £518,589) and at the year-end £90,343 (2019: £66,526) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud / Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud / Sargeant case.

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

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

Other Schemes

Certain non-academic staff are members of the School's Pension Scheme, which is a money purchase scheme administered by a private pensions company to which contributions are paid as they become due. The pension cost charge for the period payable by the School in respect of non-academic staff was £227,005 (2019: £213,850). The balance outstanding at the year-end was £30,558 (2019: £29,745).

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Notes to the financial statements for the year ended 31 August 2020 (continued)

20 Reconciliation of net income to net cash inflow from operating activities

	2020	2019
	£	£
Net income for the reporting period		
(as per the statement of financial activities)	905,160	604,317
Adjustments for:		
Gain on investments	(323,820)	(92,414)
Interest payable	138,779	91,244
Investment income	(50,607)	(52,065)
Interest receivable	(1,271)	(6,099)
Profit on disposal of fixed assets	(212,028)	(144,700)
Depreciation of tangible fixed assets	1,083,879	896,247
(Decrease) / Increase in stocks	6,136	(608)
Decrease / (Increase) in debtors	473,322	99,108
(Decrease) / Increase in creditors	(1,124,858)	(273,416)
Net cash provided by operating activities	894,692	1,121,614

21 Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand	2,042,316	1,891,128

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

22 Operating leases

At 31 August the Group had future minimum lease payments under non-cancellable operating leases as follows:

Group and School	2020	2019
	£	£
Expiry date:		
Less than one year	87,990	141,694
Between one and two years	48,003	64,939
Between two and five years	52,918	116,448
Greater than five years	-	6,681
	188,911	329,762

The amount expensed during the year was £91,943 (2019: £81,913).

23 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and fee debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate with the resulting gain or loss being charged to the SOFA.

Group	2020	2019
	£	£
Financial assets measured at amortised cost	2,683,490	3,005,625
Financial assets measured at fair value	2,898,469	2,524,042
Financial liabilities measured at amortised cost	5,047,243	5,795,843

School	2020	2019
	£	£
Financial assets measured at amortised cost	3,139,090	3,311,805
Financial assets measured at fair value	2,898,472	2,524,045
Financial liabilities measured at amortised cost	5,181,045	5,795,984

Impairment losses charged to financial assets measured at amortised cost in the year amounted to £304,846 (2019: £42,560).

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

24 Related party transactions

Monkton Combe Enterprises Limited is a wholly owned subsidiary undertaking of Monkton Combe School Limited. The company's primary object is to carry on business as a general commercial company. This is primarily the management of functions and events held on the site of Monkton Combe School. The company gifted its taxable profit to the School of £55,441 (2019: £103,212) which includes a management charge payable to the School of £36,420 (2019: £6,070). At the year-end, the School owed Monkton Combe Enterprises Limited £190,437 (2019: 8,084) in relation to the reallocation of prior year trading activities associated with holiday lets and sports centre activities. Conversely, the company owed the School £297,079 (2019: £93,196) for prior year catering costs and audit fees and payroll costs incurred during the year. The School pays the company's payroll costs which are subsequently charged back to the company.

Monkton International Limited was incorporated on 18th January 2017 and was dormant until 31st August 2018. The company is a wholly owned subsidiary undertaking of Monkton Combe School. The company's primary object is to carry out overseas educational activities. There was no trading income during the year and the company made a loss during the year of £7,599 as a result of legal and professional fees incurred as part of the company's start-up. At the year-end, the company owed the School £8,720 in relation to legal and professional fees incurred as part of the company's ongoing start-up.

During the year the School paid £13,065 (2019: £4,709) to Mind.World Ltd in which C Alexander, a former Governor, is a shareholder. A balance of £nil (2019: £8,550) was due to the company at the year end. Also during the year, the School paid £25,865 (2019: £32,254) to N Alexander – the brother of C Alexander – for consultancy work associated with the refurbishment of the School's boarding houses. The work is agreed by Governors each year.

25 Capital Commitments

At the Balance Sheet date, the School was committed to pay £11,527 (2019: £309,400) in relation to the value of refurbishment work executed and of materials and goods in relation to one of the School's boarding houses.

26 Contingent liabilities

In the ordinary course of business, the School either as claimant or defendant is involved from time to time in disputes and proceedings against debtors for school fees outstanding, suppliers for services rendered and other counterparties on a variety of issues. The Governors of the School believe that any proceedings pending as at 31 August 2020 will not result in material losses for the School in addition to amounts already provided for in these financial statements. Certain of these disputes and proceedings are in process at year end and the School, whether as claimant or defendant considers it is not in their interest to disclose the required detail as it may prejudice their position. The Governors regularly review these matters with the management of the School as part of their ongoing risk management assessments.

27 Post Balance Sheet events

On 20th March 2020, Monkton Combe School – like all schools in the UK - closed for all in-person teaching except for children of key workers and children considered vulnerable. This was in response to the ongoing Covid-19 pandemic in accordance with HM Government guidelines. With pupils at home, teaching took place online across the world. Most pupils returned to in-person teaching classes in early September adhering to Covid-19 guidelines.

Amidst exponential growth of cases in the UK, HM Government introduced further measures to deal with the second wave and the School closed again on 4th January 2021 and re-opened fully on 8th March 2021. The financial implications for the School were significant. The number of employees furloughed reached 180 (54% of the workforce) – mostly non-teaching support and catering staff and the amount of furlough income received from HMRC between April 2020 and February 2021 was £844,060. Conversely, the fees for the Summer Term 2020 were discounted and reduced by £762,431 for boarding (20% discounted) and day pupils (10% discounted). Further fee discounts, for the Lent Term 2021 were also agreed whilst ensuring furloughed staff were successfully re-integrated as they returned from an extended period of absence.

Monkton Combe School

Notes to the financial statements for the year ended 31 August 2020 (continued)

27 Post Balance Sheet events (continued)

On 26th February 2021, the School's Governors met and discussed the risks of remaining in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The key risk to the School is that of increased employer contributions which would lock up financial resources that could be better deployed enhancing the School's offering for staff and pupils. The Governors also discussed the potential of a hybrid approach which was highlighted as part of a consultation with teaching staff. Consequently, the Governors decided to give notice of exiting the TPS on 1st September 2021 which would be in the best interests of the long term future of the School. In its place, a new money purchase scheme will be introduced together with a new enhanced salary scale for teaching staff.

Monkton Combe School

28 Comparative SOFA

	Notes	Unrestricted funds £	Restricted funds £	Endowed Funds £	2019 £	2018 £
Income from:						
- Donations and Legacies						
Donations, gifts and legacies	2	200,079	73,337	-	273,416	1,090,476
- Other trading activities						
Trading income	5	754,095	-	-	754,095	672,642
Gain on disposal of fixed assets	4	144,700	-	-	144,700	5,000
Other incoming resources	4	299,859	-	-	299,859	430,893
- Investments						
Investment income	6	17,547	34,518	-	52,065	49,721
- Charitable Activities						
Fee income	3a	13,374,647	-	-	13,374,647	12,888,338
Other educational income	3b	893,973	-	-	893,973	975,259
Total income		15,684,900	107,855	-	15,792,755	16,112,329
Expenditure on:						
- Raising funds						
Marketing and Trading		939,664	-	-	939,664	867,112
Finance costs	9	91,244	-	-	91,244	122,402
- Charitable activities						
Costs of providing education		13,952,960	296,984	-	14,249,944	13,233,956
Total expenditure	7	14,983,868	296,984	-	15,280,852	14,223,470
Net income / (expenditure) before investment gains		701,032	(189,129)	-	511,903	1,888,859
Gain on investments	11	31,144	24,877	36,393	92,414	117,052
Net income / (expenditure)		732,176	(164,252)	36,393	604,317	2,005,911
Transfers between funds		-	-	-	-	-
Net movement in funds		732,176	(164,252)	36,393	604,317	2,005,911
Fund balances brought forward	17	20,733,394	958,992	937,079	22,629,465	20,623,554
Fund balances carried forward	17	21,465,570	794,740	973,472	23,233,782	22,629,465

