MERCHANT TAYLORS SCHOOL

England & Wales · Charity number 1063740

Details

Other names	MERCHANT TAYLORS SCHOOL / ST JOHN'S SCHOOL
Status	Registered
Legal form	Charitable company
Company number	03411540
Registered	1997-07-31
Register	View on the Charity Commission register

Contact

Address	Merchant Taylors School Sandy Lodge Lane Northwood HA6 2HT
Phone	01923820644
Email	info@mtsn.org.uk
Website	www.mtsn.org.uk

Activities

Objects: TO ADVANCE EDUCATION BY PROVIDING AND MAINTAINING IN THE UK AND ELSEWHERE A BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OR YOUNG PERSONS

Activities: Provision of Schooling

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** NATIONAL
- Hertfordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£31,803,575	£30,084,830	£52,212,825	398
2024-08-31	£31,635,550	£29,082,984	£49,991,249	397
2023-08-31	£29,436,937	£26,721,245	£46,701,876	374
2022-08-31	£26,807,856	£24,897,567	£44,237,275	362
2021-08-31	£26,043,996	£23,446,867	£43,239,379	363
2020-08-31	£24,043,113	£22,493,194	£39,545,333	369

Trustees

Name	Role	Appointed
Andrew martin Cree	Chair	2020-09-01
Christopher John Williams		2023-11-22
DEEPAKKUMAR VELJI VAJABHAI HARIA		2012-05-02
GUY BEETHAM MAURICE HENRY DU PARC BRAHAM		2017-09-01
Honourable Richard Hugh Eaton Newall		2021-09-01
JANE REDMAN		2015-10-15
James Douglas Robert Twining		2018-10-01
Jason Christian Oram		2021-09-02
Lucinda Emily Orr		2020-09-01
Michael Bond		2023-06-12
Penelope Barefoot		2022-01-01
Simon Eggs		2024-06-12
Varun Paul		2021-09-01

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Linked charities

- SAVILL PRIZE FUND (1063740-2)
- NORTHWOOD PREP EDUCATIONAL TRUST (TERRY'S) LIMITED (1063740-3)

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MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740



Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2025

SATURDAY
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A04 18/04/2026 #235
COMPANIES HOUSE

Contents

	Page
Reference and administration	3
Governors' report (incorporating the Strategic report)	4-20
Independent auditors' report	21-24
Statement of financial activities	25-26
Balance sheet	27
Cash flow statement	28
Notes to the financial statements	29-44

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Miss P Barefoot, BSc (Hons)
Mr Michael Bond BA (Hons)
Mr Paul Burgess *(appointed 31st August 2025)*
Cdre (Retd) A M Cree, CBE Royal Navy (Chairman)
Mr G B M H du Parc Braham, MA, MPhil
Mr S J Eggs
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD *(resigned 4th July 2025)*
The Hon R H E Newall, PICAM, FCSI
Mr J C Oram, BA, MSc, MRICS
Miss L Orr, MA. MSt. Barrister-at-Law
Mr V Paul, BA, MSc
Mrs J K M Redman, LLB
Mr H B K Shah *(appointed 19th November 2025)*
Mr J D R Twining, MA (Oxon)
Mr C J Williams, MA, ACA

Head Master	Mr S J Everson, MA
Bursar and Company Secretary	Mr I D Williams BSc (Hons), MBA (*resigned 31st December 2025)* Mr James Poynton (appointed 2nd February 2026)
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website: www.mtsn.org.uk
Registered numbers	Company registration number 3411540 Charity registration number 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT
Solicitors	VWV LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE

1. INTRODUCTION

The Governors of Merchant Taylors' School (the School) present their annual report and audited financial statements of the Charity for the year ended 31 August 2025. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and St John's School. On 1 August 1997, MTS was incorporated as a private company limited by guarantee and registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School to form a combined Merchant Taylors' School, providing pupils with an all-through education for boys aged 3-18.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 9 May 2024.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, Safeguarding training, an induction visit and an induction pack stating their responsibilities. Collective training and individual training are made available to Governors, including conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year. Financial performance is monitored by the Finance Committee, chaired by The Hon. Richard Newall. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Health and Safety and Risk (Simon Eggs). An Estates Committee, chaired by Jason Oram, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Christopher Williams, provides strategic direction for fundraising and alumni activities. A Nominations Committee comprises four Governors and is chaired by Andrew Cree.

Executive day to day management of the School is delegated to the Headmaster, Bursar and Head of Prep, supported by members of the School's Leadership Teams. The Clerk to the Governors coordinates the work of Governors and their Committees. All trustees give freely of their time, and no remuneration was paid during this period.

2.4 Group structure and relationships

The Charity has a wholly owned non-charitable subsidiary, Merchant Taylors' School Enterprises Limited, which manages the School's facilities when not in use by the School. This provides the local community with access to sports and leisure facilities, generating additional income for bursaries.

3. CHARITABLE OBJECTS AND AIMS

3.1 Charitable objects

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 Mission and Values

Our Mission

We exist to help pupils develop into rounded individuals of good character and to support them to discover their full potential for excellence in both academic work and beyond.

Beliefs and Attitudes

Our beliefs and attitudes define our approach to achieving our mission. At their core is the idea that if we know each pupil individually and encourage them to take advantage of a wide range of opportunities in a culture which celebrates excellence but cherishes kindness, then they will have the confidence to find their niche where they can grow and develop.

- We believe that pupils thrive in a harmonious atmosphere, so we value kindness, collaboration and joyfulness.

- We believe that each child is different and develops best when we know them individually, so we value small groups, long-term relationships and taking the time to get to know one another.

- We believe that everyone should be able to try everything, enjoy many things and excel at something. Our job is to encourage each pupil to find those things and have the world-class resources necessary to support them as far as they can go.

- We believe that excellence is an ongoing journey. We value the quiet confidence that comes from achievement, the self-knowledge to see where improvement lies, the innovation to take the next step forward and the humility that comes from knowing the journey isn't over.

- We believe that those with inquisitive minds enjoy more fulfilling and engaged lives. Our culture of scholarship inspires and nurtures self-development, critical thinking, creativity and intellectual exploration.

- We believe that our pupils will become tomorrow's leaders; we want them to have the character and courage to lead with inspiration and integrity.

- We believe that the school must be a positive presence in the community. We value open, honest and collaborative partnerships between parents, staff and pupils. We support the wider community through shared use of our facilities and open up opportunities through our bursary scheme.

Values

Our values underpin everything we do: they are the character of the school. From the Head Master's study to the classroom to the playing fields, these values are reinforced through praise and example.

Creativity

We are innovative in solving problems and embrace change. We foster a sense of curiosity. We try new things. We play and explore. We are constantly imagining ways to drive self-improvement. We express our creativity intellectually, artistically and in our outlook.

Courage

It takes courage to demand more of ourselves: to overcome the fear of looking foolish trying a new activity, and to find the grit to strive for excellence when we find we have potential for it. Moral courage is when we stand up for what we know is right, whatever the odds, when we live our values even if it would be easier not to.

Confidence

We face the world with self-knowledge and with the ground firmly secure under our feet. Our hallmark is quiet confidence. We take pride in our strengths and achievements, tempered by the humility of knowing our weaknesses.

Character

We treat one another with kindness, respect and civility. We disagree but argue our case and seek to influence with integrity. We are courteous. We are interested and interesting. We are grateful for our community and proudly serve it. We conduct ourselves honourably and know that how you play the game is important.

Collaboration

We work well together and bring out the best in each other. Academic success is the product of collaboration between staff, parents and pupils. We inspire one another to achieve a common goal. We are open, share information and see ourselves as a happy community born of shared aspirations.

Excellence

We celebrate excellence. We enjoy finding our niche and developing our full potential. We recognise the hard work and ambition that drives scholarship. We appreciate the long hours of training, practice and teamwork which result in success outside of academic endeavours.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means-tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through financial means testing. When required, further assistance is provided to meet additional expenses including activities, transport, lunches, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances.

Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. Through scholarships, we aim to attract particularly able pupils, whether academic, music or sports, thereby raising overall aspirations and achievement of both staff and all pupils. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance.

During the year, 234 boys benefited from financial support from the School totalling £2,638,807, which represents 8% of fee income. 63 boys received means tested bursaries to the total value of £1,105,076. This provided access to families from our local community, who would otherwise have been unable to afford the fees. 31 of those boys (46%) received transformational bursary support between 80% and 100% of their fees. In addition to tuition fees, financial support included coach transport and the provision of a Surface Pro tablet to support their academic studies where required. In addition. 167 boys were awarded academic scholarships based on educational merit and potential, to a total value of £1,023,103.

4. Strategic report (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 7 to 18)

4.1 Principal activities of the year 2024-2025

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. The School continued to achieve high academic standards, whilst maintaining an outstanding level of pastoral care and co-curricular activities. The School continued to develop strong links with the local educational and wider communities.

4.2 Objectives for the year 2024-2025

The School Improvement Plan ("SIP") provides an effective framework for the School's strategic goals. The SIP is framed by five clear objectives for development:

- Developing links with local schools;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 Operational performance review 2024-2025

4.3.1 Academic

The 2024–2025 academic year marked the second year of the School's three-year academic development plan, during which sustained progress was made in delivering high-quality academic outcomes and strengthening the curriculum offer. Public examination results were excellent at both A Level and GCSE, with GCSE outcomes representing the strongest top-grade performance recorded by the School to date.

Significant work continued in preparation for the expansion of the Year 7 intake through the 11+ initiative. This included a full review and restructuring of the Lower School curriculum to ensure it is appropriately sequenced and resourced for a larger cohort. Departments devoted considerable time during the year to planning and finalising the new Year 7 curriculum for introduction in 2025–26.

Staff recruitment and professional development also remained key priorities. The School continued to invest in high-quality induction and training through the Early Career Teacher programme and maintained its partnerships with UCL and King's College London by hosting PGCE trainees. These initiatives support the School's commitment to developing the next generation of teachers and contributing to the wider educational community.

A Level Outcomes

The Summer 2025 A Level examinations were assessed against pre-pandemic grade standards, with 2019, 2023 and 2024 serving as the principal comparators. ALPS analysis confirmed that pupils made progress in line with expectations at A Level, building on the strong value added demonstrated at GCSE. Twelve academic departments achieved value-added scores within the top quartile of the national ALPS dataset.

Targeted intervention and support programmes remained a central feature of the School's approach, offering bespoke academic guidance to pupils preparing for examinations. Nine pupils secured places to study Medicine, with a further two gaining places through Clearing. Nine pupils accepted offers from the Universities of Oxford or Cambridge. Nearly half of the cohort achieved A or A* grades across all subjects, reflecting both individual hard work and the School's sustained focus on academic excellence.

Result	A*	A*-A	A*-B	A*-C	A*-D	A*-E
2025	**34**	**71**	**90**	**97**	**100**	**100**
2024	36	71	92	97	99	100
2023	32	70	89	96	99	100
2022 (still elevated)	*34*	*76*	*95*	*100*	*100*	*100*
2021 (TAGs)	*59*	*86*	*97*	*100*	*100*	*100*
2020 (CAGs)	*42*	*80*	*96*	*99*	*100*	*100*
2019	34	76	91	98	99	100
2018	29	70	92	98	99	100

Table 1: A Level Results in overview (Cumulative percentages)

GCSE Outcomes

GCSE results in 2025 were highly positive, demonstrating improvement at every major grade boundary compared with 2024. Grade 9 was the most frequently awarded grade, and eight pupils achieved grade 9 in all ten of their subjects—an exceptional individual accomplishment within a large year group.

Value-added performance remained particularly strong. ALPS placed the School within the top 1% of schools nationally for GCSE value added, with a score of 1.29 (where 1.0 represents expected progress). This reflects the impact of the School's targeted academic support strategies and curriculum planning.

Table 2: GCSE Results in overview (cumulative percentages)

RESULTS	9	9-8 (A*)	9-7 (A*-A)	9-6 (A*-B)	9-5	9-4 (A*-C)
2025	**45**	**73**	**89**	**97**	**99**	**100**
2024	39	70	87	96	96	97
2023	36	68	86	96	99.5	99.8
2022 (still elevated)	50	77	93	98	99.9	100
2021 (TAGs)	53	82	95	99	100	100
2020 (CAGs)	45	74	93	99	100	100
2019	-	66	88	97	100	100
2018	-	64	87	98	100	100

4.3.2 University Admissions

Of the 156 pupils who completed their studies in 2025, 153 applied for university places through the 2024–25 UCAS cycle. Of these, 103 secured their first-choice university place and 21 accepted their insurance choice. Fifteen pupils progressed through Clearing, including four who did so to access more competitive courses than their original offers permitted. Two pupils accepted places at universities in the United States, and 11 pupils chose to take a structured gap year.

In addition, two pupils secured highly competitive Degree Apprenticeships with EY and JP Morgan, reflecting the School's commitment to ensuring that pupils pursue post-school pathways that align with their strengths, aspirations, and long-term goals.

4.3.3 Prep School Outcomes

The high quality of education at MTP continued to be reflected in the strong outcomes achieved by pupils across the Prep School. Progression to senior schools remained robust, with the majority of pupils moving on to Merchant Taylors' School supported by notable success in scholarship awards across academic, creative and performance disciplines.

In Year 8, thirty-one pupils completed their studies at the Prep. Of these, thirty secured places at Merchant Taylors' School and one pupil progressed to St Margaret's. Scholarship outcomes included three Academic Scholarships, three Academic Exhibitions and two Entrance Scholarships. Further awards comprised two Art Scholarships, one Design & Technology Scholarship and one Music Exhibition.

In Year 6, thirty-nine pupils transferred to senior schools. Thirty pupils progressed to Merchant Taylors' School. Scholarship awards reflected the breadth of pupil achievement. These included four Academic Scholarships to Merchant Taylors' School together with one Academic Exhibition and one Art Scholarship. Additional awards comprised two Drama Scholarships and a Sports Performance Pathway award.

4.3.4 Sport

Sports continue to play an important role in the School's charitable activities and public benefit, providing extensive opportunities for participation, community engagement and access to high-quality facilities. During 2024/25, pupils took part in more than 450 competitive fixtures across all age groups, with strong performance in the School's core sports of rugby, hockey and cricket. Notably, the U15 cricket team secured the National Cup, the School's first national title since 2017.

The School's wider sports programme continued to develop, with competitive opportunities offered in additional activities including basketball, squash, tennis, cross-country, golf and Sixth Form football. The golf programme achieved national representation, and one pupil secured a scholarship to a leading university in the United States.

Investment in sports facilities continued to support both pupil participation and community use. The Julian Hill Cricket Centre delivered a comprehensive winter coaching programme comparable to county-level provision, while the appointment of a Director of Cricket and a full-time Head Cricket Professional will strengthen the School's long-term cricket development pathway. The addition of a third AstroTurf hockey pitch increased capacity for the School's largest participation sport, and the redevelopment of the former changing rooms created a dedicated fitness facility to support the Athletic Development programme. Swimming and fundamental movement development remained central to the Physical Education curriculum.

A restructured Games programme due to be introduced from September 2025 will expand the range of activities available to pupils from a younger age, including yoga, fencing, outdoor education, table tennis and badminton. This broader offering supports the School's aim of encouraging lifelong physical activity and improving overall wellbeing.

Sports-led outreach remained an important part of the School's public benefit delivery. Rugby Week included mixed-school "Barbarian" matches and a community evening involving Chess Valley RFC, Fullerians RFC, Hampstead RFC and Ruislip RFC. Hockey Introduction Days welcomed around 150 primary-school pupils, and the School provided free access to its facilities for a number of local schools, including Warren Dell and Oxhey Wood. The annual Lamb Cricket Festival continued to offer cricketing opportunities to pupils from local primary schools.

Across all areas, the School's facilities, including the athletics track, Cricket Centre, swimming pool and hockey pitches, were regularly used by local schools, clubs and community groups, reinforcing Merchant Taylors' School's contribution to local sporting development.

The School continues to prioritise the professional development of its Sports and PE staff, exploring methods to enhance knowledge and practice in a cost-effective manner to ensure the continued delivery of a high-quality, inclusive and community-focused programme across the 11–18 age range.

Sport and physical education continue to make an important contribution to MTP's charitable purpose by supporting pupils' physical development, wellbeing and personal confidence. During the 2024–2025 academic year, the School invested in strengthening its facilities and curriculum to broaden access and enhance the quality of provision for all pupils.

Significant capital improvements were completed during the year. A new six-lane outdoor cricket training facility was installed, enabling an extended and more structured cricket programme for younger pupils. This has supported earlier skill acquisition and greater continuity of coaching throughout the spring and summer terms. The AstroTurf pitches were resurfaced and redesigned to create a flexible, multi-sport surface suitable for hockey, football and cricket. These developments have increased capacity for simultaneous group use, improved safety and surface quality, and supported more effective curriculum delivery. The facilities have also been used by Merchant Taylors' Senior School for block fixtures, further contributing to shared community benefit within the wider charitable group.

Pupil outcomes remained strong. The Under-13 hockey team reached the national finals and finished third overall—an achievement attributable to pupils' commitment and the structured coaching framework

in place. Participation across sports continued to be high, reflecting the School's emphasis on ensuring that all pupils have access to regular physical activity regardless of ability or experience.

This year marked the initial phase of transition towards the revised school structure, under which Merchant Taylors' Prep will conclude at Year 6. Curriculum planning has therefore focused on embedding core physical literacy, teamwork and sport-specific foundations earlier within the programme. This work aims to ensure that all pupils continue to receive a broad and developmentally appropriate sporting experience as the School prepares for the structural change. The current Year 8 cohort will be the last to access the full upper-prep sports provision.

In support of wider educational and personal development, pupils continued to access external facilities, including Bray Lake Water Sports Centre, the MTS Lake, Julian Hill Cricket Club and the Senior School's swimming and athletics amenities. Enrichment activities remain an integral aspect of the programme, with planned trips including the St George's Park residential (January 2025), the Ski Italy 2025 tour and a new Cornwall Watersports Residential for leavers. These activities support the School's public benefit objectives by contributing to resilience, teamwork and personal growth.

Overall, the 2024–2025 year represented continued progress in strengthening sport and physical education at Merchant Taylors' Prep. The improvements made to facilities, curriculum design and participation structures support the School in delivering an inclusive, safe and high-quality programme aligned to its charitable aims. and the wider benefits expected under the Charity Commission's public benefit requirements.

4.3.5 Music

The 2024–25 academic year saw continued development of the MTS Music Department, with a rich and varied programme of performances, collaborations and learning opportunities across the School. The year opened with two major events: the Triennial Service at St Paul's Cathedral and a large-scale musical production delivered jointly with a partner school. Both involved extensive participation from pupils across year groups and demonstrated the strength of ensemble and choral provision.

The department reviewed its annual concert structure to broaden performance access. A new Lower School Concert was introduced to give all new pupils an early opportunity to perform, while the established Autumn Concert was repositioned as the Winter Concert. The Joint Schools' Concert, held at the end of the Spring Term, brought together pupils from several schools to perform a major choral work, and the annual concert at the Merchant Taylors' Hall continued to showcase leading ensembles. The Summer Serenade concluded the year with performances from major instrumental and choral groups.

Performance opportunities were further supported through a series of competitions and informal concerts, which continued to attract strong levels of participation. The Teatime Concert series introduced widen access to platforms for developing musicians, continued to grow in popularity. Choral activity remained prominent, with the Chamber Choir performing services and events both within and beyond the School. The annual Carol Service again involved over one hundred singers and welcomed a large congregation.

Instrumental learning remained a core component of the department's work. Nearly three hundred individual lessons were delivered each week by the School's visiting instrumental and vocal teachers, supported by eighteen ensembles rehearsing regularly. The scheme offering introductory lessons on selected instruments continued to encourage wider engagement, with many pupils choosing to pursue further study. The School hosted six days of ABRSM examinations during the year, supported by additional theory and aural tuition.

The department provided a range of enrichment activities, including organ recitals, instrumental workshops, external visits, and a Gamelan workshop for all Third Form pupils. Outreach continued through the annual Orchestral Afternoon, which welcomed pupils from local schools for ensemble coaching and a concluding performance. Support from the School's music society remained strong, particularly through fundraising and assistance at concerts.

Preparation also continued for the expected growth in demand for instrumental and vocal tuition arising from the expansion of the Third Form. Planning work of future music facilities is underway to ensure appropriate teaching space and staffing capacity in the short term, alongside longer-term consideration.

The Music Department at MTP continued to experience strong growth during the 2024–25 academic year. Participation in individual instrumental and singing lessons reached a new high, with sixty per cent of eligible pupils receiving tuition. Engagement in co-curricular choral and ensemble activities also increased, rising to fifty per cent of eligible pupils following a review of the programme. Uptake for the Year 1 Orchestral Instruments Programme remained robust, with seventy-nine per cent of pupils enrolled.

A varied calendar of concerts and events was delivered throughout the year. The department introduced a new Music Department Showcase for parents, providing an overview of the curriculum and an interactive practical session. The Carol Service was held for a second year in the Great Hall at Merchant Taylors' School, and the summer term saw two Leavers' Recitals, ensuring performance opportunities for pupils in both Year 6 and Year 8.

The established programme continued with three ABRSM examination sessions, regular termly recitals for candidates, and the annual series of Christmas, Spring and Summer Concerts. Pupils also participated in the Merchant Taylors' Young Musician of the Year Competition, the Merchant Taylors' Hall Concert, the Joint Choral Concert with partner schools, and the Prep Schools' Orchestral Concert.

4.3.6 Drama

Drama continued to play a significant role across the Prep and Senior Schools throughout the 2024–25 academic year, with pupils engaging in a wide range of performance, enrichment and co-curricular opportunities.

At Merchant Taylors' Prep, pupils participated in a full programme of age-appropriate productions and performance work. Younger pupils presented a musical production, while Year 5 developed skills in physical theatre through mask work, culminating in a devised performance. Older year groups undertook more ambitious dramatic projects, including ensemble productions inspired by classic literature and a full-scale Year 8 play to mark pupils' transition to senior school. The final cohort of Year 7 pupils completed their LAMDA examinations with strong results, and a number of pupils secured Drama Scholarships to senior schools. Theatre visits and curriculum-linked workshops further broadened pupils' exposure to the performing arts.

At the Senior School, the year opened with three performances of the joint musical, West Side Story, staged in the Great Hall with a large cast and orchestra and significant levels of community engagement. The production was recognised at a national school theatre award and represented a major collaborative achievement. In the Spring Term, Lower School pupils staged Seasons of Shakespeare, presenting extracts from a range of plays. Pupils across the School engaged in workshops, theatre clubs, technical theatre activities and backstage programs at professional venues, and several secured places with national youth theatre organisations. Preparatory work also began for the joint play scheduled for the following academic year.

Together, these activities provided pupils across both schools with extensive opportunities to develop performance skills, creativity and confidence, and reflected the continued strength and breadth of the School's drama provision.

4.3.7 Outdoor Education and Extra-Curricular

The Outdoor Education Department continued to provide a broad programme of adventurous activities that support the School's charitable purpose by promoting physical development, personal resilience, and community engagement. During the academic year, pupils participated in rowing, sailing, kayaking, canoeing, stand-up paddleboarding, archery, rifle shooting, and mountain biking as part of the regular timetable.

The programme extended beyond the School term through weekend white-water kayaking trips and several residential opportunities, including surfing in Morocco, ski trips to Canada and Italy, and a white-water kayaking expedition in Wales.

Outreach activity remained a strong feature of the department's work. Stand-Up Paddleboarding (SUP) and bushcraft sessions were delivered for local youth groups including 1st Amersham Common Scouts, Hertfordshire Volunteer Police Cadets, and 1st Rickmansworth Scouts. Community organisations such

as the 14th/2nd Bushey and Oxhey Sea Scouts continued to use the School lake and equipment for SUP sessions. External partners, including Brunel University and the BSDRA Thames Valley Championship, made use of the School's Firefly dinghies at Datchet.

The Duke of Edinburgh's Award scheme continued to flourish, with more than 120 pupils undertaking Bronze, 12 beginning Silver, and 12 progressing to Gold level. All expeditions were completed under traditional outdoor conditions. Participants contributed 2,015 volunteering hours to the community, representing a Social Value of £12,895.

The Combined Cadet Force (CCF) continued to deliver core training each week, supported by collaboration with St Helen's School. Activities included range days at Bisley, fieldcraft weekends, and a week-long summer Central Camp at Longmoor. RAF cadets participated in the Royal Air Squadron Trophy, hosted the West Essex Cup Competition, and undertook Air Experience Flights at RAF Benson. A total of 40 cadets took part in indoor skydiving, and 16 completed static-line parachute jumps at Netheravon.

Cadets also engaged in charitable fundraising, raising £795 for Combat Stress through a March in March event. On ANZAC Day, a contingent was invited to form a Guard of Honour at St Paul's Cathedral for the Gallipoli Association and later paraded at the Cenotaph, representing UK Cadet Forces nationwide.

4.3.8 Alumni Relations

Alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School and supported the career development of both OMTs and current pupils. A broad range of events aims to cater to the interests of all alumni. Events are held at School, at various locations around the UK and overseas. A communications programme, including an annual magazine and termly e-newsletters, runs alongside our events programme to keep our community up to date on all the activities the school offers.

4.3.9 Fundraising

The School seeks philanthropic funding from a variety of constituencies including alumni; parents of school pupils; parents of alumni; friends of the School; corporates; and charitable trusts and foundations. Our approach to each constituency is considered and personal. We act in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and are committed to meeting high fundraising standards. The trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community, with a particular focus in 2023-24 on raising funds for an Indoor Cricket Centre, which was completed and opened in January 2024. No complaints were received in relation to fundraising activities carried out during the year.

4.3.10 Infrastructure

The School invested to improve teaching and learning facilities at both the Senior and the Prep School. At MTS, additional classrooms were provided in time for the surge in pupil numbers anticipated from September 2025. A pedestrian footpath was laid along the Long Drive to improve pupil safety, whilst reducing traffic at the School's main entrance during peak periods. The Dining Hall was upgraded to increase cooking capacity and the servery was refurbished, to reduce queueing time. The running track was resurfaced and reorientate to increase spectator space.

At MTP, a new entrance canopy at the Manor Prep-Prep and Nursery improved the arrival experience for pupils, parents and visitors. Outdoor play and recreational area were improved and classrooms refurbished.

4.4 Public benefit and outreach

Public benefit has been integral to the School's ethos since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit in deciding which activities the School should undertake. In the year under review, we continued to make a full contribution to the academic community across UK society, its schools and universities. As part of this contribution, numerous teaching and support staff served as governors of local schools and others support the community as Scout Leaders, Parish Councilor's and other local charitable endeavours.

At MTP, charitable activity was woven throughout the academic year. Pupils and staff raised over £4,000 through termly appeals and special events, supported by substantial donations of books, clothing, food and toys. The Harvest Collection alone filled a van for Watford Foodbank, while Wear2Share Days, Poppy Appeal collections, Red Nose Day participation and the Great Daffodil Appeal further strengthened charitable engagement: Additional support for the London Children's Book Project involved contributions of hundreds of books, encouraging reading beyond the School community. The School also maintained a strong pastoral emphasis on children's wellbeing through initiatives such as Scarf2School Day for Children's Mental Health Week.

Outreach work at MTP extended beyond fundraising. During the Manor refurbishment, the School donated classroom furniture, outdoor equipment and educational resources to several local schools, nurseries and community groups. These included EYFS furniture, speech and language reading books, construction toys, puzzles and a large wooden outdoor play set, widening access to high-quality learning materials. Further digital resources were provided through the donation of PCs and laptops to local schools. International outreach remained strong through the Jinja Educational Trust (JET), with staff visiting Uganda to deliver phonics training and share best practice. Donations of computers and cabling supported the continued development of JET's educational infrastructure.

At the Senior School, the Charity Drive continued to channel the enthusiasm of pupils from across the year groups. The programme supported Phab and Mind UK through a busy calendar of events, including a Macmillan Coffee Morning raising over £400, November concerts generating over £300, and a Christmas foodbank collection contributing over 200kg of donations. The annual Sleepout attracted more than 80 pupils and raised over £1,300 for New Hope, while other popular events included the Diwali Biscuit Sale, film nights, Sixth Form quiz evening, and staff-versus-student sports competitions. House Cross Country and Sports Day also provided opportunities for pupils to run refreshment stalls, raising additional funds and encouraging younger pupils to become involved in charitable activities. A concurrent 24 Hours of Music event raised money for educational projects in Nepal, deepening the School's international partnerships.

The School's historic partnership with Phab remained a significant highlight. Fundraising throughout the year supported the delivery of another vibrant and inclusive Phab Week, now in its 53rd year, offering a programme of activities for guests of all abilities. The week's events, which included bowling, music, swimming, campfires and creative workshops, demonstrated the School's longstanding commitment to inclusion, friendship and service. Engagement across the community—including pupils, parents, staff and volunteers—underlined the enduring strength of this charitable tradition.

Together, these initiatives illustrate the School's strong and sustained commitment to public benefit, reflected through fundraising, service, resource-sharing and community partnerships. The breadth and depth of activity across both sites highlight the School's continued contribution to the educational, social and charitable life of the wider community.

Community access to facilities

The School remained committed to supporting the local community through extensive access to its facilities and resources. Governors endorsed the continuation of wide-ranging community use, with weekly access provided to approximately 3,000 members of the public from more than 70 local sporting and social organisations representing all age groups.

Holiday and weekend programmes continued to flourish, with organisations such as Activate Sports, Kings Camps, FunTech, Vernon School of Cricket, Maximum Performances, The Hive, and Future Star

Education making regular use of the School's sports pitches, swimming pool, grounds and classrooms to deliver activities for local children. Support for local primary schools also continued, including St Mary's School in Rickmansworth.

The School's lake and surrounding areas were regularly used by 120 South Oxhey Sea Scouts for weekly activities, while the Rickmansworth and Watford Sea Scouts used the swimming pool for kayak training. The Rickmansworth Fire Department also utilised the lake for essential crew training days.

Local athletics clubs, including Chiltern Harriers and Watford Joggers, made routine use of the athletics track for training. Reddiford School accessed the School's facilities for PE and games sessions, and St John's continued to use the swimming pool for their swimming lessons. London Hockey remained a valued partner, making extensive use of the School's pitches for training and competitive fixtures, including the new hockey astro.

During the Easter holidays, the School partnered with Batchworth Community to offer free football activity days for 100 young residents from the Batchworth Ward. Participants benefitted from high-quality coaching, opportunities to engage in skill development and match play, and, for many, their first experience of organised sport. The programme successfully promoted confidence, social interaction, and physical activity among children who might otherwise have had limited access to such opportunities.

The School's long-standing partnership with Middlesex County Cricket Club continued to thrive. The School supported a full summer of cricket activities, including youth development programmes, men's and women's fixtures, and a County Championship match. Winter usage of the Julian Hill Cricket Centre remained strong, with 22 local cricket clubs and two local schools accessing the facility for training and development, including programmes promoting girls' cricket. A growing partnership with the London Schools Cricket Association also provided structured opportunities for young players to train in a high-quality environment.

The School continued to support the Northwood Base through use of the athletics track for fitness testing and training, while HMS Wildfire once again held a family event at the School. Hertfordshire Fire and Rescue used the lake for water rescue training throughout the year.

The School was also pleased to host the Moor Park 10k and Fun Run, which raised funds for the Mount Vernon Cancer Centre.

The School has supported the local community by providing access to a wide range of sports facilities since moving to the site in 1933. This remains an important part of the School's role as a community hub and Governors will make every effort to maintain this contribution despite the political and economic pressure applied by the introduction of VAT on school fees and the removal of mandatory charitable relief on business rates.

4.5 Financial review

During the year under review, the School's incoming resources were £31.8m (2024: £31.6m) and total charitable expenditure was £29.7m (2024: £28.7m), generating a surplus before investment gains of £1.7m (2024: £2.6m). The principal source of income was school fees, which accounted for £29.5m (92%), (2024: £29.3m (93%)). £0.5m (2024: £0.7m) was raised through the Development Office for bursaries and School development, with £0.4m total cost of raising funds (2024: £0.4m).

During the year, the School's expenditure on scholarships and bursaries was £2.6m (2024: £2.5m). Capital expenditure of £4.3m (2024: £5.2m) and revenue expenditure of £0.7m (2024: £0.6m) were invested in the School infrastructure. At MTS, this included the Julian Hill Indoor Cricket Centre, classroom and changing room refurbishment, roof works and replacement of boilers and lighting, alongside cyclic replacement of IT equipment. At MTP, classrooms, kitchen and bathroom facilities were refurbished, alongside upgrades to boilers and electrics.

4.6 Reserves policy

The reserves policy is monitored by the Finance Committee and reviewed annually to ensure that the School has access to sufficient liquid assets to meet its non-discretionary financial obligations during periods of crisis. Future development plans will be funded by a combination of cash flow, fundraising and borrowing.

Total reserves as at 31 August 2025 were £52.0m (2024: £50.0m), of which £1.3m relates to Restricted funds (2024: £1.1m) and £2.6m to the Endowment Fund (2024: £2.5m). Unrestricted reserves totalled £48.3m (2024: £46.4m), of which £9.5m (2024: £9.3m) was designated for specific purposes, as outlined in Note 15 to the accounts.

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £6m). On 31 August 2025, free unrestricted reserves were £7.5m (2024: £7.8m). These are defined as unrestricted funds and expendable endowment that is available at the discretion of Governors, less fixed assets, adding back any outstanding loans, but includes investments available for conversion into cash.

R`j 4.7 Risk Management

Governors have established an effective risk management framework, which has been updated throughout the year in response to political, economic, social, technological, legal and environmental developments.

The Risk Management Committee, drawn from across the School, has reviewed emerging risks and updated the School's Risk Register to identify the likelihood and impact of foreseeable risks to the School's operations. As the Governor responsible for Risk Management, Alan Eastwood attended regular meetings of both the Risk Management Committee and the Health and Safety Committee and ensured that the Governing Body was updated when required. This responsibility was handed over to Simon Eggs in July 2024. The Risk Register is scrutinised by the School's Finance Committee annually, before the key strategic risks are reviewed by Governors.

The key risks and vulnerabilities identified during this period were: Political risk, Financial risk, Fire, Cyber-security, and Safeguarding. Governors have applied a range of measures to manage and mitigate these risks.

Governors identified the emerging risk of VAT on school fees, ensuring that fees are adjusted to mitigate the financial impact on parents and that the necessary professional expertise was applied to ensure VAT compliance. They also anticipated the removal of charitable relief on business rates from April 2025 and responded to the increase in Employers' National Insurance contributions. In response to economic pressure, Governors scrutinised expenditure and reduced operating costs where possible to control fee increases. This work will continue to limit the financial impact on fee paying parents.

Fire risk assessments were updated at both the Senior and Prep Schools in August 2024 and Governors will ensure that all action points are addressed.

The IT Team worked closely with external specialists to manage the School's information systems and address the growing Cyber-security Risk. Active threat detection systems remain in place and cyber-security measures are continually updated in line with best industry practice.

The School continues to implement the Safer Recruiting Action Plan to ensure that all appointments comply with Keeping Children Safe in Education and meet the ISI regulatory requirements. The Single Central Register and associated personnel files were scrutinised every term by the Safeguarding Governor to ensure compliance.

4.8 Remuneration policy

The Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the School Leadership Team. The Remuneration Committee considers all external environmental factors, which influence recruiting and retention. These include reference to independent benchmarking surveys, including Haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are presented to the main Governing Body for endorsement, before being implemented from September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles. Any changes to legislation are implemented without delay, including annual increases to the National Minimum Wage.

4.9 Investment policy

The MTS Investment Committee, chaired by James Twining oversees the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the asset allocation adopted is reviewed in the light of external events and adjusted, as necessary. This continues to be a volatile period for the markets, but the Investment Committee has worked with Rathbones to protect the long-term capital value of the School's

endowment funds from inflation and market volatility, whilst building designated and endowment funds to support future bursary awards and other commitments.

4.10 Future plans

Merchant Taylors' School aims to be the independent day school of choice for boys aged 3-18 in the Northwest London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will derive lifelong benefit from the all-round education offered;
- ensure that an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;
- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;
- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;
- be mindful of our historic charitable foundation and promote wider public benefit in our activities;
- remain a competitive fee-paying school in the independent sector; and
- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School.

4.11 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the wellbeing, safeguarding and educational needs of the boys and staff foremost as well as providing support in the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision-making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries; capital expenditure management and possible future changes to fiscal policy.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in this Strategic report, which can be found at section 4.1 - 4.8. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.7 of the Strategic report.

Our environmental, social and governance practices are described in section 4.4 (Public benefit and outreach) and the extent of bursary support for pupils whose families are unable to pay the school fees are primarily set out at section 4.5 (Financial review). For the fourth year, Merchant Taylors' School is reporting key energy and carbon usage information, and this can be found below in section 4.12 (Environmental performance).

4.12 Environmental Performance

MTS SECR Reporting Period: September 2024 – September 2025 Energy Source	Consumption	Scope	2025 Emissions calculation (t COe)	2024 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	3,244,026 kWh (gross CV (calorific value))	Scope 1	**651**	**593**
Transport – Mini-bus	26,300 miles	Scope 1	**9.58**	**10.58**
Diesel (100% mineral diesel)	11,500 litres	Scope 1	**30.60**	**30.61**
Propane – Total Litres	1,318 litres	Scope 1	**1.09**	**2.03**
Electricity – total kWh electricity bills for the school	1,401,266 kWh	Scope 2	**276**	**290**
Business travel (average car)	3598 miles	Scope 3	**0.98**	**0.98**
Business travel land (taxi)	47.5 km	Scope 3	**0.001**	**0.01**
Business travel land (rail)	5,502 km	Scope 3	**0.19**	**0.20**
Business travel (air short haul)	1,895 km	Scope 3	**0**	**0.36**
Business travel (air domestic)	2,096 km	Scope 3	**0**	**0.57**
Hotel Stay	10.4 kg CO2e	Scope 3	**0**	**0.02**
Water Supply	29,114 m3	Scope 3	**3.97**	**4.67**
Water Treatment	214,330 m3	Scope 3	**3.8**	**4.47**
Waste Disposal - Metal	1.5 tonnes	Scope 3	**0.02**	**18.59**
Waste Disposal - WEEE Mixed	0.45 tonnes	Scope 3	**0.0**	**0.0**
Waste disposal - Batteries	0.02 tonnes	Scope 3	**0.0**	**0.06**
Waste Disposal - Paper and board: mixed	2.98 tonnes	Scope 3	**0.02**	**29**
Waste Disposal - Glass	5.39 tonnes	Scope 3	**0.02**	**28**
Waste Disposal - Refuse/ Commercial and industrial waste	35.75 tonnes	Scope 3	**0.24**	**387**
Waste Disposal - Paper	0 tonnes	Scope 3	**0.05**	**72**
Total			**978**	**1,472**
Intensity ratio	Emissions data (tCO2e) per pupil &FTE		**0.75 tCO2e per pupil & FTE**	**1.2t CO2e per pupil & FTE**

MTP SECR Reporting Period: September 2024 – September 2025 Energy Source	Consumption	Scope	2025 Emissions calculation (t COe)	2024 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	421,057 kWh (gross CV calorific value)	Scope 1	**20.72**	**77**
Transport – Mini-bus	7,515 miles	Scope 1	**2.30**	**3.02**
Electricity – total kWh used for the year, taken from the electricity bills for the school	218,114 kWh	Scope 2	**32.90**	**45**
Water Supply	2,487 m3	Scope 3	**0.43**	**0.47**
Water Treatment	1,964 m3	Scope 3	**0.30**	**0.36**
Waste Disposal – Refuse/Commercial and industrial waste	10.01 tonnes	Scope 3	**0.045**	**64.55**
Waste Disposal - Paper and board: mixed	3.68 tonnes	Scope 3	**0.014**	**23**
Waste Disposal - Metal	1.3 tonnes	Scope 3	**0.017**	**0.0**
Waste Disposal – Organic food	11.76	Scope 3	**0.16**	**75.38**
Business travel (average car)	290 miles	Scope 3	**0.18**	**0.08**
Business travel (rail)	209 km	Scope 3	**0.05**	**0.008**
Total				**289**
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		**0.25t CO2e per pupil &FTE**	**0.79t CO2e per pupil & FTE**

Quantification and Reporting Methodology

This methodology follows the 2019 HM Government Environmental Reporting Guidelines. We have also used SECR Reporting Protocol and the 2024 Government Emission Conversion Factors for Company Reporting (condensed set). We have adopted the recommended intensity measurement for the sector, which is total gross emissions in metric tonnes CO2e per staff and pupil.

- Scope 1 refers to direct business greenhouse gas emissions generated including from furnaces or heating equipment;
- Scope 2 covers indirect emissions from electricity, which a firm needs, but which come from sources outside the control of the School including power stations; and
- Scope 3 covers emissions (not classed as Scope 2) that are a consequence of our actions but are not under the control of the School.

Measures Taken to Improve Energy Efficiency

The School continues to implement measures to improve energy efficiency and reduce its environmental impact through a combination of infrastructure investment and staff engagement.
During the year, solar photovoltaic panels were installed across both sites on Sports Halls and grounds buildings, contributing to on-site renewable energy generation. Air source heat pumps have been installed where appropriate, replacing older plant and improving heating efficiency. Building Management Systems have been enhanced to improve control and monitoring of electricity, gas and water consumption.

The School continues to invest in LED lighting, and a programme to upgrade existing Crittall windows to improve thermal performance and reduce heat loss. Measures have also been introduced to support improved water management and reduced water consumption, particularly in high-use areas across the estate. The School recycled 64% more waste than in the previous year with 100% of cardboard, glass, general waste and food waste being sent to renewable processing or recycling.

Staff engagement remains a key component of the School's approach, with energy and water awareness training delivered to encourage good practice in the day-to-day use of buildings and equipment.

These actions reflect the School's ongoing commitment to reducing its carbon footprint and managing resources responsibly in support of its charitable objectives.

MTS remains committed to reducing its carbon footprint and enhancing sustainability. Energy-saving measures are monitored, with energy consumption carefully recorded and analysed. Governors oversee the energy tendering process, ensuring alignment with the School's sustainability objectives.

The Sustainability Committee remains pivotal, reviewing and implementing environmental practice across the site. This reflects the School's commitment to responsible energy management and environmental stewardship, ensuring meaningful progress toward a more sustainable future.

4.14 Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) he / she has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

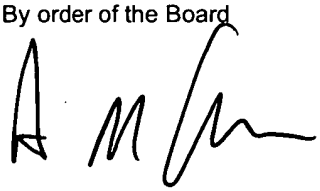
4.15 Disability statement

The School continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The School provides equal opportunities to all staff on the basis of objective criteria and personal merit.

4.16 Auditors

Saffery LLP have indicated their willingness to continue in office.

By order of the Board



Cdre (Retd) A M Cree, CBE
Chairman
Date 18.03.26

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2025 which comprise statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's state of affairs as at 31 August 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 20 the trustees (who are also 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Auditor's responsibilities for the audit of the financial statements (continued)

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

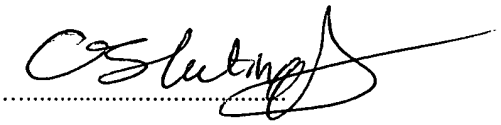
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

http://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.



Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery LLP
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 15 April 2026

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

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2025

	Notes	Unrestricted	Designated	Restricted	Endowment	2025	2024
Income from:		£	£	£	£	£	£
Charitable activities							
School Fees	2	29,510,062	-	-	-	**29,510,062**	*29,723,767*
Registration/Admissions Fees	3	119,413	-	-	-	**119,413**	*126,333*
Other charitable activities							
Other ancillary income - Insurance	3	-	-	-	-	**-**	*1,216*
Other ancillary income - Rents Received	3	269,087	-	-	-	**269,087**	*268,016*
Other	3	236,401	-	-	-	**236,401**	*127,810*
Other trading activities							
Donation from MTSEL	7	249,903	-	-	-	**249,903**	*139,805*
Profit on sale of assets		-	-	-	-	**-**	*122*
Investments	3	502,140	199,797	-	-	**701,937**	*722,888*
Donations & legacies							
Donations	3	-	-	252,810	-	**252,810**	*312,479*
Development Campaign Income	3	86,827	-	352,135	25,000	**463,962**	*663,114*
Total Income:		**30,973,833**	**199,797**	**604,945**	**25,000**	**31,803,575**	*31,635,550*
Expenditure on:							
Raising funds							
Alumni Relations and Development	5	256,294	-	36,132	-	**292,426**	358,154
Investment management		7,407	23,901	-	-	**31,308**	22,142
Financing costs		33,159	-	-	-	**33,159**	22,792
		296,860	**23,901**	**36,132**	**-**	**356,893**	403,088
Charitable Activities							
School and grant making		29,271,379	189,885	266,673	-	**29,727,937**	28,679,896
Total expenditure	5	**29,568,239**	**213,786**	**302,805**	**-**	**30,084,830**	29,082,984
Net income/(expenditure) before investment gains		1,405,594	(13,989)	302,140	25,000	1,718,745	2,552,566

Statement of financial activities (continued)
For the year ended 31 August 2025

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2025	2024
Net gain/(loss) on investments		102,186	278,535	-	122,110	**502,831**	*736,807*
Net income		**1,507,780**	**264,546**	**302,140**	**147,110**	**2,221,576**	*3,289,373*
Transfers	8	204,819	(93,001)	(111,818)	-	-	-
Net movement in funds		**1,712,599**	**171,545**	**190,322**	**147,110**	**2,221,576**	*3,289,373*
Fund balances at 31 August 2024		37,095,109	9,341,167	1,100,802	2,454,171	49,991,249	*46,701,876*
Fund balances at 31 August 2025	14	**38,807,708**	**9,512,712**	**1,291,124**	**2,601,281**	**52,212,825**	*49,991,249*

Summary Income and Expenditure Account

	2025	2024
	£	£
Total Income	31,778,575	31,370,098
Total Expenditure	30,084,831	29,082,984
Unrealised/realised gains and (losses)	380,721	521,285
Net Income for the year	2,074,466	2,808,399

All amounts relate to continuing operations.

The notes on pages 29-44 form part of these financial statements.

Balance sheet
For the year ended 31 August 2025

	Notes		2025		*2024*
Fixed assets		£	£	£	£
Tangible Fixed Assets	6		**41,376,741**		39,193,814
Investments	7		**10,075,225**		8,023,607
Current assets					
Stocks	9	**51,980**		54,194	
Debtors	10	**2,724,191**		642,892	
Cash		**9,949,836**		14,705,425	
		12,726,007		15,402,511	
Current liabilities					
Creditors: due within one year	11	**(9,520,229)**		(8,475,817)	
Net current assets			**3,205,778**		6,926,694
Total assets less current liabilities			**54,657,744**		54,144,115
Creditors: due after more than one year	12		**(2,444,919)**		(4,152,866)
Total net assets			**52,212,825**		49,991,249
Unrestricted funds	15		**48,320,420**		46,436,276
Restricted funds	16		**1,291,124**		1,100,802
Endowment	17		**2,601,281**		2,454,171
Total funds	14		**52,212,825**		49,991,249

The financial statements were approved by the Governors on 18.03.26

and were signed on their behalf by

Cdre (Retd) A M Cree CBE
Director

R H E Newall
Director

Company Registration No. 3411540

The notes on pages 29-44 form part of these financial statements.

Cash flow statement
For the year ended 31 August 2025

	Notes	2025		*2024*	
		£	£	£	£
Net cash flows from operating activities	18		256,329		9,933,336
Cash flows from investing activities					
Investment income		701,937		722,888	
Purchase of FA		(4,291,867)		(5,233,210)	
Proceeds from sale of investments		6,766,118		1,685,569	
Purchase of investments		(8,300,396)		(2,135,402)	
Proceeds from sale		-		122	
Net cash used in investing activities			(5,124,208)		(4,960,033)
Cash flows from financing activities					
Movement in final deposits		101,800		*23,500*	
New endowment		25,000		-	
Net cash used in financing activities			126,800		23,500
Change in cash and cash equivalents in the reporting period			(4,741,079)		4,996,802
Cash and equivalents as at 31 August 2024	19		14,726,806		9,730,004
Cash and equivalents as at 31 August 2025	19		9,985,727		14,726,806

The notes on pages 29-44 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places and the School's projected cash flows, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements, as outlined in the Statement of Trustees' Responsibilities on page 18.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Going Concern

The Governors consider that the key financial performance indicators are those that communicate the financial performance and strength of the School as a whole, those being pupil numbers, academic results for the year, surplus for the period, extra-curricular performances and applications for places for the following year. For the period under review, pupil numbers continue to be at acceptable levels, the financial result for the period was good and registrations for future admissions remain strong.

The Governors have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the School's financial viability. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Accounting and Reporting Responsibilities on page 20.

1.3 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128-year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

1.4 Depreciation

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

Building and leasehold improvements	-	70% charged over 50 years, 30% charged over 20 years - the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	-	over 10 years or 20 years
Machinery and motor vehicles	-	over 4 years
Computer hardware	-	over 4 years

Depreciation is not charged on assets under construction or freehold land. Individual items costing less than £500 are written off as an expense, as acquired.

Accounting policies (continued)

1.5 Current assets
Stocks consist of textbooks, tablets and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

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

1.7 Donations, legacies, grants and other voluntary income
Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.8 Investments and investment income
Investment income from dividends, bank balances and fixed interest securities is accounted for on an accrual's basis.

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

1.9 Expenditure
Expenditure is accounted for on an accrual's basis. Expenditure is allocated to expense headings, either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.10 Pensions
The School's teaching staff are members of the Teachers' Pension Scheme (England and Wales) (TPS) operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is an unfunded multi-employer scheme governed by The Teachers' Pension Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme. From September 2021 an optional defined contribution pension scheme (APTIS) was also made available to the teaching staff.

The group personal pension plan (APTIS) for eligible support staff continued to operate during the year under review and is detailed in note 20. The associated pension contributions costs are charged to the Statement of Financial activities as incurred.

1.11 Rental income
Rental income is accounted for on a receivable basis.

Accounting policies (continued)

1.12 Fund accounting

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:
(i) Permanent Endowed Funds:
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds.

1.13 Operating leases

Rentals payables are charged on a time basis over the lease term.

1.14 Taxation

The School is a registered charity, and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.15 Debtors

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

1.16 Cash at bank and in hand

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

1.17 Creditors

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

1.18 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.19 Critical accounting judgement and estimates

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

Accruals are estimates as costs that will be incurred based on contractual requirements For depreciation, estimates are driven by the useful economic life of the associated assets.

For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School fees

	2025 £	2024 £
The School's fee income comprised:		
Gross Fees	31,882,196	31,355,418
Less: Total Bursaries, Grants and Allowances	(2,638,807)	(2,511,499)
	29,243,389	28,843,919
Add back: Scholarships, Grants and Allowances paid for by Restricted Funds held by: MT Co Charities Fund; MTET Endowment Fund; and Development Fundraising	266,673	429,848
	29,510,062	29,273,767

3. Other income

	2025 £	2024 £
Other educational charitable activities		
Registration Fees	107,408	107,466
Admission Fees	12,005	18,867
	119,413	126,333
Other ancillary activities		
Insurance	-	1,216
Rents Receivable	269,087	268,016
Deposits Forfeited, Fees In Lieu, Music Income and Other Misc Income	236,401	127,810
MTSEL donation	249,903	139,805
Profit on sale of asset	-	122
	755,391	536,969
Investment income		
Bank Interest	502,298	533,876
Investment Income	199,797	180,322
Interest on Late Fees	(158)	8,690
	701,937	722,888
Donations		
MT Company Donation	-	10,080
OMT Gifted Asset	-	61,649
MTET Endowment Fund	252,810	240,750
	252,810	312,479
Development Campaign Income	463,962	663,113
	716,772	975,592

4. Expenditure

	2025 £	2024 £
Support costs of schooling included:		
Auditors' remuneration for audit services	31,000	36,734
Auditors' remuneration for other services	-	-
	31,000	36,734
Total staff costs comprised:		
Wages and salaries	15,679,413	15,047,543
Social security costs	1,775,914	1,542,604
Pension contributions	3,548,232	3,203,463
Termination costs	6,661	33,962
	21,010,220	19,827,572

Employees

The average number of employees in the year was 398 (2024: 397) of which 159 (2024: 159) were teaching staff.

The number of higher paid employees was:	2025	2024
£60,001-£70,000	48	42
£70,001-£80,000	37	29
£80,001-£90,000	15	8
£90,001-£100,000	1	-
£100,001-£110,000	2	3
£110,001-£120,000	1	-
£120,001-£130,000	-	1
£130,001-£140,000	-	1
£140,001-£150,000	1	-
£220,001-£230,000	1	1

Ninety-five (2024: sixty-nine) of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme - employer contributions paid at the rate of 28.68% of salary) and ten (2024: six) employees had benefits accruing in the Group Personal Pension Plan (with employer contribution paid at 15% (2024:15%) of salary.

The key management personnel of the School comprise the Headmaster, the Bursar and the Senior Leadership Team. Their combined contractual benefits totalled £2,071,235 (2024: £1,868,719).

Governors' remuneration

No Governor, nor persons connected with them, received any remuneration in the year ended 31 August 2025 (2024: Nil) and Governors are not included in the number of persons employed given above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2025 £
Raising funds				
Financing costs / bank interest	-	33,159	-	33,159
Investment management	-	31,309	-	31,309
Development office (unrestricted)	194,606	61,688	-	256,294
	194,606	126,156	-	320,762
Charitable activities				
Teaching	15,935,452	2,286,276	-	18,221,728
Welfare	1,033,559	627,187	-	1,660,746
Premises	1,521,128	3,089,949	1,137,089	5,748,166
Support Costs of schooling	2,382,243	476,529	781,966	3,640,738
School's operating costs	20,872,382	6,479,941	1,919,055	29,271,378
Bursaries paid for by Restricted Funds	-	266,673	-	266,673
Development Campaign Restricted	-	36,132	-	36,132
OMT Sports facilities	-	-	189,885	189,885
	-	302,805	189,885	492,690
Total Expenditure	**21,066,988**	**6,908,902**	**2,108,940**	**30,084,830**

Analysis of total expenditure - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2024 £
Raising funds				
Financing costs / bank interest	-	22,792	-	22,792
Investment management	-	22,142	-	22,142
Development office (unrestricted)	239,424	59,723	-	299,147
	239,424	104,657	-	344,081
Charitable activities				
Teaching	15,165,516	2,112,206	-	17,277,722
Welfare	922,521	732,704	-	1,655,225
Premises	1,325,201	3,580,316	999,993	5,905,510
Support Costs of schooling	2,174,910	341,222	705,574	3,221,706
School's operating costs	19,588,148	6,766,448	1,705,567	28,060,163
Bursaries paid for by Restricted Funds	-	431,905	-	431,905
Development Campaign Restricted	-	2,000	-	2,000
OMT Sports facilities	-	-	189,885	189,885
	-	488,855	189,885	678,740
Total Expenditure	19,827,572	7,359,960	1,895,452	29,082,984

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2025
	£	£	£	£
Costs or revaluations				
1 September 2024	**51,401,118**	**1,334,845**	**11,516,452**	**64,252,415**
Additions	2,956,077	369,474	966,316	4,291,867
Transfers	1,334,845	(1,334,845)	-	-
Disposal	-	-	(60,591)	(60,591)
31 August 2025	55,692,040	369,474	12,422,177	68,483,691
Depreciation				
1 September 2024	**17,214,372**	**-**	**7,844,229**	**25,058,601**
Charge for current year	1,326,974	-	781,966	2,108,940
Disposal	-	-	(60,591)	(60,591)
31 August 2025	18,541,345	-	8,565,604	27,106,950
Net book value				
31 August 2025	**37,150,694**	**369,474**	**3,856,573**	**41,376,741**
31 August 2024	34,186,746	1,334,845	3,672,223	39,193,814

Of the total net book value of land and buildings included above, £8,208,108 is freehold (£2,900,000 land) and £25,978,638 is leasehold.

7. Investments

	2025	2024
	£	£
Investment in subsidiary	100	100
Quoted Investments	10,075,125	8,023,507
Fees In advance Investments		-
	10,075,225	8,023,607

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2025	2024
	£	£
Gross profit	622,663	488,479
Gross expenditure	(372,760)	(348,674)
Net surplus before donating to MTS	249,903	139,805

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2024: £100).

Investments at 31 August 2025 were:	Quoted Investments
	£
Fixed Interest	2,329,183
Fixed Income	416,565
UK Equities	1,557,479
Overseas Developed	2,386,535
Overseas Developing Markets	303,105
Global Investments	2,157,054
Infrastructure	111,282
Diversifiers	780,326
Cash	35,891
	10,075,125

Investments Note:

	Investments £
Opening Market Value	8,002,126
Additions at cost	8,300,396
Disposals	(6,766119)
Unrealised Gains	502831
	10,039,234
Cash	35,891
Market Value carried forward	**10,075,125**

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2025 £	2024 £
Housing Fund – Designated	6,999	6,999
Bursary Fund - Designated	(100,000)	-
Transfers to unrestricted	204,819	190,859
Capital Fund – Restricted	(111,818)	(197,856)
Net transfer to/(from) Funds	-	-

Bursary funds (which are found in notes 15, 16 and 17) are invested where the income is reinvested each year, rather than being distributed. The income is recognised in the statement of financial activities in the restricted or designated bursary fund (as appropriate), as available to fund bursaries. Consequently, transfers above have made between funds to recognise the reallocation of investments, and any gains and losses thereon. The transfer of funds this year has been in relation to a specific fundraising appeal and the capital work is completed and the restriction has been fulfilled.

Refer to Notes 15, 16 and 17 for further analysis.

9. Stocks

	2025 £	2024 £
Consumables (including textbooks)	19,372	20,141
Goods for resale	32,608	34,053
	51,980	54,194

10. Debtors

	2025 £	2024 £
Trade / Fee Debtors	2,153,729	106,090
Amounts owed from Related Undertakings (see Note 23)	213,946	149,227
Prepayments and accrued income	269,275	265,914
Other debtors	87,241	121,661
	2,724,191	642,892

11. Creditors: due within one year

	2025 £	2024 £
Final term deposits	178,600	76,800
Trade creditors	2,229,357	446,466
Accruals	443,022	1,403,353
Exam deposits and Autumn term pre-payments	1,825,648	2,427,870
Fees In Advance Scheme	1,865,356	2,847,554
VAT creditor	1,620,504	-
Other creditors	1,357,742	1,273,774
	9,520,229	8,475,817

12. Creditors due after more than one year

	2025 £	2024 £
Final term deposits		
Within 1 to 2 years	58,000	69,600
Within 2 to 5 years	252,000	252,000
After 5 years	280,400	265,000
	590,400	586,600
Fees in Advance		
Within 1 to 2 years	1,427,168	2,669,441
Within 2 to 5 years	418,230	848,461
After 5 years	9,121	48,364
	1,854,519	3,566,266

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2024	6,413,818
New contracts	167,128
Discounts	(117,623)
	6,463,323
Amounts utilised in payment of fess	(2,743,447)
Balance as at 31 August 2025	3,719,876

14. Analysis of net assets

	Fixed assets and Investments £	Current assets £	Current liabilities £	Long term liability £	Total £
Unrestricted and designated funds	48,850,685	11,434,883	(9,520,229)	(2,444,919)	**48,320,420**
Restricted funds	-	1,291,124	-	-	**1,291,124**
Permanent endowment funds	2,046,081	-	-	-	**2,406,081**
Expendable endowment funds	555,200	-	-	-	**555,200**
Total	**51,451,966**	**12,726,007**	**(9,520,229)**	**(2,444,919)**	**52,212,825**

Analysis of net assets – previous year

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	44,764,750	14,300,209	(8,475,817)	(4,152,866)	**46,436,276**
Restricted funds	-	1,100,802	-	-	**1,100,802**
Permanent endowment fund	1,924,462	1,500	-	-	**1,925,962**
Expendable endowment fund	528,209	-	-	-	**528,209**
Total	**47,217,421**	**15,402,511**	**(8,475,817)**	**(4,152,866)**	**49,991,249**

15. Analysis of unrestricted funds

	Balance 2024	Income	Expenditure	Gains/Loss on Investments	Transfers	Balance 2025
	£	£	£	£	£	£
Undesignated General Reserves	**37,095,109**	30,973,833	(29,568,239)	102,186	204,819	**38,807,708**
Designated						
Housing Fund	**89,452**	-	-	-	6,999	**96,451**
Pension Fund	**121,580**	-	-	-	-	**121,580**
Bursary Fund	**677,244**	82,631	(9,899)	35,304	(100,000)	**685,280**
OMT Asset Fund	**3,955,096**	-	(189,885)	-	-	**3,765,211**
Durrants Fund	**4,497,795**	117,166	(14,002)	243,231	-	**4,844,190**
Fees In Advance Scheme	**-**	-	-	-	-	**-**
	9,341,167	199,797	(213,786)	278,535	(93,001)	**9,512,712**
Total	**46,436,276**	**31,173,630**	**(29,782,025)**	**380,721**	**111,818**	**48,320,420**

Refer to Note 8 for further information regarding transfers.

Analysis of unrestricted funds - previous year

	Balance 2023	Income/Gains	Expenditure	Transfers	Balance 2024
	£	£	£	£	£
Undesignated					
General Reserves	**34,624,514**	30,663,142	(28,382,102)	190,859	**37,095,109**
Designated					
Housing Fund	**82,453**	-	-	6,999	**89,452**
Pension Fund	**121,580**	-	-	-	**121,580**
Bursary Fund	**608,108**	69,136	-	-	**677,244**
OMT Asset Fund	**4,144,981**	-	(189,885)	-	**3,955,096**
Durrants Fund	**3,953,455**	556,147	(22,142)	-	**4,497,795**
Fees In Advance	**9,031**	-	-	-	**-**
	8,919,608	625,283	(212,027)	6,999	**9,341,167**
Total	**43,544,122**	**31,288,425**	**(28,594,128)**	**197,858**	**46,436,276**

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Pension Fund

Historically the designated Pension Fund had been set up to fund the School's share of the deficit in the Merchant Taylors' Company Pension Scheme. During 2013 the Trustees completed a buy-out with Aviva Plc. and the School entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund is being maintained with a view to meeting any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011, the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge in the accounts of £189,885 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2024	Incoming Resources	Resources Expended	Transfers	Balance 2025
	£	£	£	£	£
General Donations	**200,079**	170,179	(266,673)	-	**103,585**
	200,079	170,179	(266,673)	-	**103,585**
Development Fund					
Bursary	**861,811**	259,182	-	-	**1,120,993**
Sports, arts and school campus	**38,912**	58,903	(31,269)	-	**66,546**
Capital projects	-	116,681	(4,863)	(111,818)	-
	900,723	434,766	(36,132)	(111,818)	**1,299,357**
Total	**1,100,802**	**604,945**	**(302,805)**	**(111,818)**	**1,291,124**

Refer to Note 8 for further information regarding transfers.

Analysis of restricted funds - previous year

	Balance 2023	Incoming Resources	Resources Expended	Transfers	Balance 2024
	£	£	£	£	£
General Donations	178,762	327,154	(305,837)	-	**200,079**
	178,762	327,154	(305,837)	-	**200,079**
Development Fund					
Bursary	861,145	179,684	(179,018)	-	**861,811**
Sports, arts and school campus	37,895	5,017	(4,000)	-	**38,912**
Capital projects	106,755	91,103	-	(197,858)	-
	1,005,795	275,804	(183,018)	(197,858)	**900,723**
Total	**1,184,557**	**602,958**	**(488,855)**	**(197,858)**	**1,100,802**

17. Analysis of endowed funds

	Balance 2024	Income/Gains	Expenditure	Transfers	Balance 2025
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,925,961	120,119	-	-	**2,046,081**
Expendable Endowment	528,209	26,991	-	-	**555,200**
Total	**2,454,170**	**147,110**	**-**	**-**	**2,601,281**

Refer to Note 8 for further information regarding transfers.

Analysis of endowed funds - previous year

	Balance 2023	Income/Gains	Expenditure	Transfers	Balance 2024
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,497,844	428,118	-	-	**1,925,962**
Expendable Endowment	475,353	52,856	-	-	**528,209**
Total	**1,973,197**	**480,974**	**-**	**-**	**2,454,171**

The Permanent Endowment was initiated in 2009 when the School launched its campaign for bursaries ("Forward To Our Roots"). The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2025	2024
Net income for the reporting period	**2,221,576**	3,289,373
Depreciation	**2,108,940**	1,895,452
New endowment	**(25,000)**	(265,452)
Losses/(gains) on investments	**(502,831)**	(736,807)
(Investment income)	**(701,937)**	(722,888)
Increase in operating creditors and accruals	**(765,334)**	6,300,851
(Increase)/decrease in debtors	**(2,081,299)**	(87,536)
(Increase)/decrease in stock	**2,214**	(5,598)
Loss on sale of asset	**-**	610
Profit on sale of Asset	**-**	(122)
Net cash flow from operating activities	**256,329**	9,667,883

19. Net debt reconciliation

	At 1 September 2024	Cash Flows	Other non cash changes	At 31 August 2025
Cash and cash equivalents				
Cash at bank and in hand	14,705,425	(4,755,586)	-	9,949,836
Cash at investment managers	21,384	14,507	-	35,891
Total	**14,726,809**	**(4,741,079)**	**-**	**9,985,727**

Net debt reconciliation - previous year

	At 1 September 2023	Cash Flows	Other non cash changes	At 31 August 2024
Cash and cash equivalents				
Cash at bank and in hand	9,680,917	5,024,505	-	14,705,422
Cash at investment managers	49,084	(27,700)	-	21,384
Total	**9,730,001**	**4,996,805**	**-**	**14,726,806**

20. Pension costs

Teaching staff

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,737,528 (2024: £2,492,552) and at the year-end £314,235 (2024 - £317,012) 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.

Pension costs (continued)

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. As a result of this valuation the TPS employer contribution rate increased from 16.48% to 23.68% from September 2019.

The scheme was last subject to an actuarial valuation based on data as at 31 March 2020 in accordance with the updated version of the Directions. The outcome is that from April 2024 the employer contribution rate will increase to 28.6%.

Support staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School, subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to 2025: £820,571 (2024: £710,911).

21. Capital commitments

Capital expenditure contracted but not provided for in the financial statements for the School, totalled £120,000 (2024: £1.23m).

22. Other financial commitments

At 31 August 2024, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	**261,520**	185,057
Between 2 and 5 years	**957,413**	624,403
In *over* 5 years	**16,422,895**	12,337,160

23. Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

The individual trustees of Merchant Taylors' Educational Trust are each the members of Merchant Taylors' School in their personal capacity and therefore collectively ultimately control Merchant Taylors' School and its subsidiary, Merchant Taylors' School Enterprises Limited. However, there is no single ultimate controlling party. The members approve the appointment of the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company.

23.2 Merchant Taylors' School Enterprises Limited (MTSEL)- Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The profit donated to the School was £249,903 (2024: £139,805). The balance outstanding from MTSEL at the yearend was £213,946 (2024: £149,227).

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance receivable from Merchant Taylors' Company in respect of these services at the yearend was 2025: £nil (2024: £nil).

The Merchant Taylors' Company owns the original land and buildings from which the Senior School operates. The School currently has a 128-year lease from 16 March 2011, at a current annual rent of £133,542 (2024: £112,156) to be subject to review.

23.4 Merchant Taylors' School and St John's School, Northwood did not share common administration during the year. An annual management fee of £NIL (2024: £26,667) was charged for this service.

23.5 Governors do not receive any remuneration, but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £1,597 (2024: £3,477) paid to three (2024: three) Governors.

The total amount of donations received from the Governors during the year was £5,698 paid by three Governors (2024: £8,520) (paid by five Governors), of which £300 was restricted to bursaries (2024: £7,270, restricted to the indoor cricket centre).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, £35,957 was receivable from The Old Merchant Taylors' Society (2024: £41,333).

24. Comparative information

	Unrestricted			Permanent	2024
	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds
Income from:	£	£	£	£	£
Charitable activities					
School Fees	29,273,767	-	-	-	26,273,767
Registration/Admissions Fees	126,333	-	-	-	126,333
Other charitable activities					
- Insurance	1,216	-	-	-	1,216
- Rents received	268,016	-	-	-	268,016
- Other	127,810	-	-	-	127,810
Other trading activities					
Donation from MTSEL	139,805	-	-	-	139,805
Profit on sale of assets	122	-	-	-	122
Investments	542,566	103,998	76,324	-	722,888
Donations & legacies					
Donations	61,649	-	250,830	-	312,479
Development Campaign Income	121,858	-	275,804	265,452	663,114
Total Income:	**30,663,142**	**103,998**	**602,958**	**265,452**	**31,635,550**
Expenditure on:					
Raising funds					
Alumni Relations and Development	299,147	-	59,007	-	358,154
Investment management	-	22,142	-	-	22,142
Financing costs	22,792	-	-	-	22,792
	321,939	**22,142**	**59,007**	**-**	**403,088**
Charitable Activities					
School and grant making	28,060,163	189,885	429,848	-	28,679,896
Loss on Sale of Assets	-	-	-	-	-
Total expenditure	**28,382,102**	**212,027**	**488,855**	**-**	**29,082,984**
Net income/(expenditure) before investment gains	**2,281,040**	**(108,029)**	**114,103**	**265,452**	**2,552,566**
Net gain on investments	-	521,285	-	215,522	736,807
Net income	**2,281,040**	**413,256**	**114,106**	**480,974**	**3,289,373**
Transfers	190,859	6,999	(197,858)	-	-
Net movement in funds	**2,471,899**	**420,255**	**(83,755)**	**480,974**	**3,289,373**
Fund balances at August 2023	**34,623,210**	**8,920,912**	**1,184,557**	**1,973,197**	**46,701,876**
Fund balances at August 2024	**37,095,109**	**9,341,167**	**1,100,802**	**2,454,171**	**49,991,249**

MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2024

Contents

	Page
Reference and administration	3
Governors' report (incorporating the Strategic report)	4-20
Independent auditors' report	21-24
Statement of financial activities	25-26
Balance sheet	27
Cash flow statement	28
Notes to the financial statements	29-44

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Miss P Barefoot, BSc (Hons)
Mr Michael Bond BA (Hons)
Mr R J Brooman, MA, FCA (resigned 5/07/24)
Dr J M Cox, BSc, PhD (resigned 05/07/24)
Cdre (Retd) A M Cree, CBE Royal Navy (Chairman)
Mr G B M H du Parc Braham, MA, MPhil
Mr D G M Eggar Eur.Ing, C.Eng, MICE, BSc, FRSA (resigned 05/07/24)
Mr S J Eggs (appointed 12/06/24)
Mr A Eastwood, BComm, ACA (resigned 05/07/2024)
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD
The Hon R H E Newall, PICAM, FCSI
Mr J C Oram, BA, MSc, MRICS
Miss L Orr, MA. MSt. Barrister-at-Law
Mr V Paul, BA, MSc
Mrs J K M Redman, LLB
Mr J D R Twining, MA (Oxon)
Mr C J Williams, MA, ACA (appointed 22/11/2023)

Head Master	Mr S J Everson, MA	
Bursar and Company Secretary	Mr I D Williams BSc (Hons), MBA	
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website: www.mtsn.org.uk	
Registered numbers	Company registration number Charity registration number	3411540 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT	
Solicitors	VWV LLP Narrow Quay House Narrow Quay Bristol BS1 4QA	
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE	

1. INTRODUCTION

The Governors of Merchant Taylors' School (the School) present their annual report and audited financial statements of the Charity for the year ended 31 August 2024. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and St John's School. On 1 August 1997, MTS was incorporated as a private company limited by guarantee and registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School to form a combined Merchant Taylors' School, providing pupils with an all-through education for boys aged 3-18.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 9 May 2024.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, Safeguarding training, an induction visit and an induction pack stating their responsibilities. Collective training and individual training is made available to Governors, including conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year. Financial performance is monitored by the Finance Committee, chaired by The Hon. Richard Newall. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Health and Safety and Risk (Simon Eggs). An Estates Committee, chaired by Jason Oram, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Christopher Williams, provides strategic direction for fundraising and alumni activities. A Nominations Committee comprises four Governors and is chaired by Andrew Cree.

Executive day to day management of the School is delegated to the Head Master, Bursar and Head of Prep, supported by members of the School's Leadership Teams. The Clerk to the Governors coordinates the work of Governors and their Committees. All trustees give freely of their time and no remuneration was paid during this period.

2.4 Group structure and relationships

The Charity has a wholly owned non-charitable subsidiary, Merchant Taylors' School Enterprises Limited, which manages the School's facilities when not in use by the School.

3. CHARITABLE OBJECTS AND AIMS

3.1 Charitable objects

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 Mission and Values

Our Mission

We exist to help pupils develop into rounded individuals of good character and to support them to discover their full potential for excellence in both academic work and beyond.

Beliefs and Attitudes

Our beliefs and attitudes define our approach to achieving our mission. At their core is the idea that if we know each pupil individually and encourage them to take advantage of a wide range of opportunities in a culture which celebrates excellence but cherishes kindness, then they will have the confidence to find their niche where they can grow and develop.

- We believe that pupils thrive in a harmonious atmosphere, so we value kindness, collaboration and joyfulness.

- We believe that each child is different and develops best when we know them individually, so we value small groups, long-term relationships and taking the time to get to know one another.

- We believe that everyone should be able to try everything, enjoy many things and excel at something. Our job is to encourage each pupil to find those things and have the world-class resources necessary to support them as far as they can go.

- We believe that excellence is an ongoing journey. We value the quiet confidence that comes from achievement, the self-knowledge to see where improvement lies, the innovation to take the next step forward and the humility that comes from knowing the journey isn't over.

- We believe that those with inquisitive minds enjoy more fulfilling and engaged lives. Our culture of scholarship inspires and nurtures self-development, critical thinking, creativity and intellectual exploration.

- We believe that our pupils will become tomorrow's leaders; we want them to have the character and courage to lead with inspiration and integrity.

- We believe that the school must be a positive presence in the community. We value open, honest and collaborative partnerships between parents, staff and pupils. We support the wider community through shared use of our facilities and open up opportunities through our bursary scheme.

Values

Our values underpin everything we do: they are the character of the school. From the Head Master's study to the classroom to the playing fields, these values are reinforced through praise and example.

Creativity

We are innovative in solving problems and embrace change. We foster a sense of curiosity. We try new things. We play and explore. We are constantly imagining ways to drive self-improvement. We express our creativity intellectually, artistically and in our outlook.

Courage

It takes courage to demand more of ourselves: to overcome the fear of looking foolish trying a new activity, and to find the grit to strive for excellence when we find we have potential for it. Moral courage is when we stand up for what we know is right, whatever the odds, when we live our values even if it would be easier not to.

Confidence

We face the world with self-knowledge and with the ground firmly secure under our feet. Our hallmark is quiet confidence. We take pride in our strengths and achievements, tempered by the humility of knowing our weaknesses.

Character

We treat one another with kindness, respect and civility. We disagree but argue our case and seek to influence with integrity. We are courteous. We are interested and interesting. We are grateful for our community and proudly serve it. We conduct ourselves honourably and know that how you play the game is important.

Collaboration

We work well together and bring out the best in each other. Academic success is the product of collaboration between staff, parents and pupils. We inspire one another to achieve a common goal. We are open, share information and see ourselves as a happy community born of shared aspirations.

Excellence

We celebrate excellence. We enjoy finding our niche and developing our full potential. We recognise the hard work and ambition that drives scholarship. We appreciate the long hours of training, practice and teamwork which result in success outside of academic endeavours.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means-tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through financial means testing. When required, further assistance is provided to meet additional expenses including activities, transport, lunches, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances.

Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. Through scholarships, we aim to attract particularly able pupils, whether academic, music or sports, thereby raising overall aspirations and achievement of both staff and all pupils. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance.

During the year, 222 boys benefited from financial support from the School totalling £2,118,691, which represents 6.8% of fee income. 63 boys received means tested bursaries to the total value of £1,119,184. This provided access to families from our local community, who would otherwise have been unable to afford the fees. 24 of those boys (38%) received transformational bursary support between 80% and 100% of their fees. In addition to tuition fees, financial support included coach transport and the provision of a Surface Pro tablet to support their academic studies where required. In addition. 161 boys were awarded academic scholarships based on educational merit and potential, to a total value of £999,507.

4. Strategic report (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 7 to 18)

4.1 Principal activities of the year 2023-2024

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. The School continued to achieve high academic standards, whilst maintaining an outstanding level of pastoral care and co-curricular activities. The School continued to develop strong links with the local educational and wider communities.

4.2 Objectives for the year 2023-2024

The School Improvement Plan ("SIP") provides an effective framework for the School's strategic goals. The SIP is framed by five clear objectives for development:

- Developing links with local schools;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 Operational performance review 2023-2024

4.3.1 Academic

Last year saw the launch of a new three-year academic development plan. The primary focus in 2023-24 was to target A/A* and 8/9 borderline candidates to raise the proportion of A* and 9 grades at A Level and GCSE. This saw improved outcomes in public examinations for both A Level and GCSE. Another key focus was finalisation of the 11+ initiative and re-structure of the Lower School curriculum.

Teacher training continued alongside ongoing CPD for existing staff. The Senior Tutor supported nine Early Career Teachers through their training and hosted PGCE students from UCL and KCL for their school-based phases of training.

A Level & Pre-University

More than one in eight pupils achieved a "clean-sweep" of A*s, and 56% were awarded at least one A* grade. Nearly half (48%) of this year's pupils had all subjects marked as A or A*. Nine pupils accepted places at Oxford or Cambridge and another nine to read Medicine.

Result	A*	A*-A	A*-B	A*-C	A*-D	A*-E
2024	**35.6**	**71.1**	**91.6**	**97.3**	**98.5**	**99.8**
2023	32.35	69.98	88.58	95.98	98.73	99.58
2022 (still elevated)	*34.38*	*76.46*	*95.00*	*99.79*	*100.00*	*100.00*
2021 (TAGs)	*58.71*	*86.45*	*96.99*	*99.57*	*100.00*	*100.00*
2020 (CAGs)	*42.12*	*80.18*	*95.95*	*99.32*	*100.00*	*100.00*
2019	**33.71**	**76.40**	**91.46**	**97.98**	**99.33**	**100.00**
2018	29.24	70.09	92.41	98.44	99.33	99.78
2017	31.68	68.53	87.58	96.69	98.76	99.38

Table 1: A Level Results in overview (Cumulative percentages)

GCSE and IGCSE

GCSE results were excellent with an increase in the highest grades when compared to 2023. The most commonly awarded grade was a grade 9. Eight boys achieved grade 9's in all ten GCSE subjects.

Table 2: GCSE Results in overview (cumulative percentages)

RESULTS	9	9-8 (A*)	9-7 (A*-A)	9-6 (A*-B)	9-5	9-4 (A*-C)
2024	**39**	**70**	**87**	**96**	**96**	**97**
2023	36	68	86	96	99.5	99.8
2022 (still elevated)	50	77	93	98	99.9	100
2021 (TAGs)	53	82	95	99	100	100
2020 (CAGs)	45	74	93	99	100	100
2019	-	66	88	97	100	100
2018	-	64	87	98	100	100

There were many superb individual performances; of 165 pupils in the year group:

- 20 pupils achieved seven or more grade 9s.
- Maths remains a strength. Every pupil in the year takes Maths and 61% achieved a grade 9 with 92% achieving 8-9, equivalent to the old A* grade.
- Science subjects continue to be a strength with Chemistry achieving 62% grade 9s, Biology 57% grade 9s and Physics with 49% grade 9s.
- Greek achieved 54% grade 9s and Drama excelled with 47% of students achieving a grade 9.

4.3.2 University Admissions

Of our 146 leavers, 109 secured places at their first-choice university, 9 accepted their insurance choice and 14 were placed through Clearing. Two students chose places at US universities (Brigham Young University; Carnegie Mellon University); 12 leavers chose to take gap years.

4.3.3 Prep School Outcomes

The high quality of education provided at MTP was confirmed by the successful ISI Inspection in May 2024. MTP pupils achieved notable success in securing places and scholarships at leading institutions. 32 pupils were offered places at Merchant Taylors' School, along with one place at John Lyon and one place at Shiplake.

Scholarship awards reflected the exceptional academic and co-curricular achievements of the students. At Merchant Taylors', 3 Academic Scholarships and 5 Academic Exhibitions were awarded in Year 6, providing early recognition of academic excellence. Year 8 students secured 1 Sports Scholarship, 1 Sports Performance Pathway, 1 Music Scholarship, and 1 Drama Scholarship. At John Lyon, a Sports Scholarship was awarded in Year 8.

4.3.4 Sport

Sport plays a pivotal role in the school's charitable outreach, attracting more visitors to campus than any other aspect of school life. In 2023/24, the school hosted 506 sports fixtures, with approximately half held on-site, welcoming an estimated 2,700 external visitors. The school's state-of-the-art facilities rival top university offerings, generating significant interest from external organisations.

Core sports such as cricket, hockey, and rugby actively engage with local communities, fostering partnerships with local schools, clubs, and organisations. Highlights include the partnership with Middlesex County Cricket Club (MCCC), which utilises MTS cricket facilities year-round, and the annual U10 Lamb Cricket Festival, which welcomed 160 participants from local schools. The School also hosted the inaugural U11 IAPS hardball tournament and the National School Under 18 Girls 100-ball finals.

Hockey remains the largest participation sport at MTS, with 27 teams and a third AstroTurf pitch increasing capacity for both school use and community engagement. 8 primary schools attended

coaching sessions at MTS and the Strikers Cup extended opportunities to local schools, while partnerships with Middlesex, Hertfordshire, and London Hockey enhance the reach of the program. In recognition of its facilities and community engagement, MTS has been selected to host the IAPS U13 national finals in 2025.

Rugby outreach culminates in the Barbarians event during Rugby Week, bringing together over 100 young players for a community tournament. Throughout Rugby Week, nearly 1,000 players and their families visit the campus, while evening events with local clubs further strengthen ties with the community.

Beyond core sports, the PE department supports local schools with swimming lessons and athletics events. The school's facilities, including its athletics track, cricket centre, swimming pool, and tennis courts, are regularly utilized by local schools, clubs, and organizations, reinforcing the School's role as a hub for community sport and development.

In the 2023-2024 academic year, MTP continued to enhance the sports programme, building on the transformative changes introduced two years ago. Grounded in a commitment to inclusion and excellence, our approach ensures that every pupil, from Nursery to Year 8, has access to a diverse and enriching physical education curriculum delivered by a team of dedicated specialists.

The strategic realignment of our sports seasons, with Football now in the Autumn Term, Rugby in the Lent Term, and an expanded two-term focus on Hockey, has significantly benefited player development. This restructuring allows for more tailored training, an enriched competition schedule, and greater opportunities for pupils to excel. Plans to further elevate the cricket programme are also underway, with refurbishment of the MTP Astro and six outdoor cricket nets due to be completed by 2025. These enhancements, along with the use of premier facilities at the Senior School, continue to position pupils for success.

The year also saw significant progress in the pathway performance programme, which supports the development of high-level talent across multiple sports. This initiative reflects the strength of the School's commitment to fostering excellence and ensuring pupils are provided with opportunities to excel at the highest levels.

Efforts to strengthen partnerships with other schools have further expanded the fixture list, offering pupils access to higher levels of competition and a broader range of opponents. These developments ensure that all pupils, regardless of ability, are both challenged and supported in their sporting journeys. Inclusivity remains a cornerstone of the programme, with enrichment opportunities ensuring all pupils benefit from diverse and memorable experiences. Highlights from the year include a football trip to Manchester City, where pupils engaged in elite-level coaching; a skiing trip to the Italian Dolomites, offering skill development for all abilities; and an expanding water sports programme at MTS Lake and Bray Lake Water Sports Centre. Looking ahead, further growth is planned, including a Ski Italy 2025 trip and a residential visit to St. George's Park, the home of English football. These experiences foster personal growth, teamwork, and lifelong engagement with sport.

This year's achievements underscore the School's dedication to delivering a dynamic sports programme that balances inclusivity with excellence. By continually expanding opportunities and investing in facilities and expertise, the programme ensures every pupil develops their physical literacy, nurtures a lifelong passion for sport, and has the opportunity to reach their full potential. The school remains committed to providing an inclusive, well-rounded, and high-achieving sports environment that prepares pupils to thrive both on and off the field.

4.3.5 Music

The 2023-24 academic year saw continued growth for the Music Department at MTP and reflect a thriving and dynamic musical culture. A record 52% of eligible pupils were enrolled in individual instrumental or singing lessons by September 2024, with 43% participating in co-curricular choral and ensemble activities. The Year 1 Orchestral Instruments Programme also achieved its highest uptake, with 95% of eligible pupils involved.

The department delivered a varied and successful programme of events, including the relocation of the Carol Service to the MTS Great Hall. A new Informal Soloists' Recital was added in the summer term to increase performance opportunities. Other highlights included three ABRSM exam sessions with excellent results, the Christmas, Spring, and Summer Concerts, the Merchant Taylors' Young Musician of the Year Competition, and collaborative events with other schools.

At the Senior School, an exciting and wide-ranging programme of concerts and events continued throughout the 2023-24 academic year. Highlights included the concert at the Merchant Taylors' Hall, in

which musicians from MTS joined boys from Merchant Taylors' Prep School and St John's School, and the Joint Schools' Concert, which brought together nearly 200 pupils and parents from neighbouring schools. The Summer term saw the return of the Summer Serenade, for the first time since 2016. This musical extravaganza included performances from the School Choir, Symphony Orchestra, and Concert Band. The annual cycle of the House Music Competition continued, the three component competitions taking place in the Spring and Summer terms. Each was judged by a visiting adjudicator and provided expert advice from successful professional musicians.

The Concert Band had a successful year, receiving a silver medal at the Regional Festival of the National Concert Band Festival. Following this, a new addition this year was 'No Strings Attached', a concert of wind, brass, and percussion music. This included performances from both ensembles and soloists and featured the CCF band for the first time in a concert. Another innovation saw the first Teatime Concert, whose earlier time has proved popular with parents and staff.

The Chamber Choir continued the tradition of singing at two Choral Evensongs in the Summer Term, one at Guildford Cathedral and one at University College, Oxford. In addition, the Chamber Choir performed at Vernon's Service, and the Thomas White Singers provided the musical interlude at Doctors' Dinner. The annual Carol Service involved over one hundred singers and welcomed a congregation of about two hundred.

Each week nearly three hundred individual music lessons are taught, and eighteen ensembles rehearse in the music department, offering musical opportunities to boys with a whole range of abilities. The 'Rare Breed' scheme provides free lessons to boys who express an interest in taking up an instrument, and each year several choose to continue lessons afterwards. Many boys choose to take ABRSM exams, and success in these continues, aided by the additional theory and aural classes offered.

The Music Department provided further musical opportunities during 2023-24, including a Field Day trip to Oxford, a Music Scholars' trip to the English National Opera, and a Gamelan workshop for all 3rd Form students. The School also received institutional accreditation from the Royal College of Organists, recognising the excellence of teaching. An organ recital was held to mark this in March 2024, when the School was presented with a certificate. The school organists have given organ recitals at Aldenham – to celebrate International Organ Day – and Abbots Langley, raising money for local churches.

Our Orchestral Afternoon provided local schools with an opportunity to have specialised ensemble workshops given by MTS staff, culminating in a performance attended by parents. The work of the Serenaders Music Support Group continued, by fundraising for the department and serving refreshments at concerts. Their two annual events, Quiz Night and Jazz Night, were characteristically well attended. Our Director of Music organized two "Leading Notes" holiday Chamber Music Courses at MTS (one during the October half-term and the other during the Easter holiday). These three-day non-residential courses were available to students from MTS and local schools, offering high-quality tuition for advanced and developing string players to explore chamber music and enjoy music at MTS.

4.3.6 Drama

This year's MTP drama season in The Lalani New Barn Theatre was packed with excitement and talent. Year 3 and 4 dazzled audiences with their Wild West musical *Ye-Ha!*. Year 5 explored mask work, performing inventive sketches showcasing their mastery of physical theatre using Trestle Theatre Company masks. Their special assembly was a hit with pupils, parents, and staff. The Year 6 production of *Bugsy Malone* brought prohibition-era New York to life. The Year 8 leavers' adaptation of *Arabian Nights* was a magical retelling of *1001 Nights.*

Other highlights included Year 7 LAMDA exams, with 29 Distinctions and 4 Merits, a Year 7 trip to the Royal Shakespeare Company's *My Neighbour Totoro*, and a Drama Scholarship awarded to an exceptional Year 8 student.

At the Senior School, the year began with the MTS House Drama Competition which saw large numbers of boys collaborate in their Houses, under the leadership of Sixth Form Directors, to create devised pieces. There followed the Joint Senior Play, *Enron,* by Lucy Prebble, a particularly challenging and thought-provoking piece which stretched both actors and technicians alike. In the Spring Term, a large cast and crew of Lower School boys brought Willy Russell's *Our Day Out* from page to stage in the Junior Drama Production. Boys across the school enjoyed devising workshops with Frantic Assembly, private backstage tours of Shakespeare's Globe and Theatre Royal, Drury Lane, performance/technical clubs and a range of exciting theatre visits. There was further success for MTS boys gaining places in the prestigious National Youth Theatre. Auditions, workshops and preparations then began in earnest for the Joint Musical, *West Side Story School Edition.*

4.3.7 Outdoor Education and Extra-Curricular

The MTS Outdoor Education Department provided opportunities for the boys to participate in adventurous pursuits beyond the traditional school sports options. During the School timetable, boys participated in rowing, sailing, kayaking, canoeing, stand-up paddleboarding, archery, rifle shooting, and mountain biking. During the school holidays, week-long school trips included a surfing trip to Fuerteventura, a ski trip to Jasper, Canada, and a canoe camping expedition on the River Wye.

Outreach activities by the Head of Outdoor Education included Stand-Up Paddleboarding (SUP) sessions for pupils at the Royal Masonic School for Girls, 11th High Wycombe Cubs, 1st Amersham Common Scouts, and Hertfordshire Volunteer Police Cadets. 14th/2nd Bushey and Oxhey Sea Scouts run SUP sessions on the lake from MTS Watersports Centre and made full use of the School's equipment. The BSDRA Thames Valley Championship used the school's Firefly dinghies at Datchet.

The Duke of Edinburgh Award programme saw over 80 participants completing their Bronze level, and 12 embarking on their Silver Award. All completed the Expedition section under traditional conditions: Bronze participants walked and camped in the Chilterns for two days; Silver participants trained in the Kent Downs and went on their qualifying venture in the New Forest for three days. MTS DofE participants contributed 1,924 hours volunteering in the community with a Social Value of £10,157.

The Combined Cadet Force (CCF) continued to deliver core training on Fridays with students from St Helen's Girls School joining MTS cadets. Army cadets attended Range days at Bisley, Fieldcraft weekends and a week-long summer Central Camp at Longmoor Camp. RAF Cadets took part in the Royal Air Squadron Trophy and our unit hosted the West Essex Cup Competition involving 50 cadets across the District. 16 RAF cadets also flew Grob Tutor fixed-wing aircraft on Air Experience Days at RAF Benson. 16 cadets from across the three single-service sections completed static-line parachute jumps at Netheravon. On Armistice Day, the CCF Contingent took part in the Ypres Armistice Parade, in Belgium, representing UK Cadet Forces, and went on a First World War Battlefields Tour.

Teams of cadets from the CCF raised over £1,000 for Combat Stress, the veterans' mental health charity, through a March in March. On ANZAC Day, a squad from the Contingent was invited to form a Guard of Honour at St Paul's Cathedral for the Gallipoli Association, and then paraded at the Cenotaph, representing UK Cadet Forces. The Contingent Commander conducted leadership and teamwork training for HMS WILDFIRE using the School lake and grounds.

4.3.8 Alumni Relations

Alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School, and supported the career development of both OMTs and current pupils. A broad range of events aims to cater to the interests of all alumni. Events are held at School, at various locations around the UK and overseas. A communications programme, including an annual magazine and termly e-newsletters, runs alongside our events programme to keep our community up to date on all the activities the school offers.

4.3.9 Fundraising

The School seeks philanthropic funding from a variety of constituencies including: alumni; parents of school pupils; parents of alumni; friends of the School; corporates; and charitable trusts and foundations. Our approach to each constituency is considered and personal. We act in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and are committed to meeting high fundraising standards. The trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community, with a particular focus in 2023-24 on raising funds for an Indoor Cricket Centre, which was completed and opened in January 2024.

The School confirms no complaints were received in relation to its fundraising activities during the financial year. The school maintains robust governance and compliance procedures to ensure all fundraising activities are conducted in accordance with applicable regulations, standards, and ethical practices .

4.3.10 Infrastructure

Investment in MTP infrastructure included the fourth phase of classroom refurbishment: reconfiguring a Science Lab and adjoining Science Preparation Room. Information technology investments included installation of new 65-inch touch screens for EYFS and in the new Science room; upgrading interactive whiteboards to touchscreens; full upgrade to Windows 11. The East Barn roof was renewed, Astro turf resurfaced and repairs conducted alongside cyclic internal and external decoration.

At the Senior School, cyclic classroom refurbishment continued with 4 maths classrooms. Offices were refurbished and flat roofs resurfaced. Swimming pool changing was upgraded and work commenced to refurbish the boys changing rooms, which will create a new fitness room by April 2025. Crittal windows were replaced with double glazed units and solar panels were fitted to the Sports Hall and Grounds Shed roofs. An air source heat pump replaced a Calor gas system and a shelter was installed at the archery range. The Lecture Theatre was refurbished, increasing seating capacity to 180, and the Special Educational Needs Department was moved into new facilities.

The 5 lane Julian Hill Cricket Centre was opened in January 2024 and a 3rd Astro pitch was installed to meet growing demand for hockey from both the School and the local community.

4.4 Public benefit and outreach

Public benefit has been integral to the School's ethos since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit in deciding which activities the School should undertake. In the year under review, we continued to make a full contribution to the academic community across UK society, its schools and universities. As part of this contribution, numerous teaching and support staff served as governors of local schools and others support the community as Scout Leaders, Parish Councillors and other local charitable endeavours.

At MTP, over £4,700 was raised by the school community for a range of local and international charities. Pupils supported the Royal British Legion Poppy Appeal and wore bow ties ('Bowvember') during November in aid of the Movember Men's Health Foundation. Daffodils were bought to support Marie Curie, and donations were made to wear red socks and tell jokes for Comic Relief. 'Mufti days' supported "The World Wildlife Fund", inspired by the plight of the snow leopard, and Save the Children, inspired by the conflict in the Middle East. Collections of food at Harvest time supported the Watford Food Bank, 'socks and chocs' at Christmas supported the Haven Homeless Centre, and books during National Book Week supported the London Children's Book Project. Pupils participated in the Moor Park Fun Run in aid of the Mount Vernon Cancer Centre and staff visited Uganda during their summer holiday to provide expertise and support for the Jinja Educational Trust.

As part of MTP outreach, MiniMasks from the Trestle Theatre Company were donated to Maple Cross School following a shared workshop. Science equipment was donated to the Reach Free School. Additionally, four MTP staff are governors of local primary schools, contributing operational and educational expertise whilst creating important links for collaboration.

The Jinja Educational Trust (JET) creates schools and teacher teams capable of transforming the education and welfare of young people in Uganda so they acquire the necessary skills for a successful and fulfilling future. MTP teaching and support staff have supported JET over the past 10 years. This summer, two Pre-Prep staff visited Uganda to teach phonics, the building blocks of reading. PCs and laptops were donated along with cabling for solar panels.

The MTS IT Team donated PCs to Parkfields School in Toddington, Chartridge School in Chesham, Colnbrook School in South Oxhey, Bushey Heath Primary School, Cedar Park School in Hazlemere, Radlett Lodge Autistic School, Rosary Priory Convent in Bushey. AV support was provided to a family funeral at Sacred Heart Church in Bushey.

The MTS Charity Drive raised funds for *Mind UK* and *Phab* this year, reflecting the school's commitment to mental health awareness and community support. The year featured a variety of events, including a football tournament for younger students, staff v student matches, and a well-received film night screening. Seasonal initiatives included the Christmas foodbank collection, which gathered over 300 kilograms of donations, and a sports kit collection for *Kit Aid.* The flagship event, Sleepout for New Hope, saw 30 students participate in an overnight experience on campus, raising over £1,200 for homelessness support. Non-uniform days, Krispy Kreme sales and refreshment stands during Sports Day and other school events raised funds and awareness of the chosen charities.

In collaboration with Phab, the team supported key events including 24 Hours of Music and First Night Lights, strengthening ties with the school's longstanding charity. Together, these initiatives highlighted the students' dedication, creativity, and passion for making a meaningful impact both within the school and the wider community.

PHAB is a long-standing initiative that promotes inclusion and friendship between young people of all abilities. It brings together students from different schools and guests with disabilities for a week of shared experiences, fun activities, and community building. The project fosters understanding, respect, and lifelong connections through its unique blend of creativity, teamwork, and compassion.

Phab 2023-2024 was a year of vibrant fundraising and heartfelt celebration, culminating in a memorable Phab Week held on the School site during the Easter holidays. The Phab team's creative events included a quirky netball match against St Helen's, a lively Friday Night Lights rugby game, and a gruelling 12-hour marathon walk from Rickmansworth to Covent Garden. Seasonal fundraisers like the MTS Carol service and festive activities at Waitrose, along with springtime football matches and the Wingo wine-tasting event, brought the community together. A Phab Festival talent show with RMS students marked a triumphant end to their efforts. A bi-weekly Phab Club provides PHAB guests with a range of activities, including arts and crafts, table tennis, art and music.

Phab Week was packed with joy and connection. Highlights included bowling, treasure hunts, a drama workshop, visits from firemen, swimming, campfires, horseback riding, and an animal costume disco. Guests sang with Electric Umbrella, roasted marshmallows, and bonded over bingo and exotic animal encounters. The week ended with a heartfelt breakfast and prize-giving ceremony. With over 52 years of tradition at Merchant Taylors', Phab reflects the School's enduring spirit of inclusion and camaraderie.

Community access to facilities

Governors maintained support to the local community, providing weekly access to over 2,500 members of the public from more than 66 sporting and social organisations of all ages. Support to local primary Schools continued, including St Mary's School in Rickmansworth, who enjoyed weekly swimming sessions delivered by MTS PE staff followed by lunch in the School dining hall. Activate Sports, Kings Camps, FunTech, Vernon School of Cricket, Maximum Performances, The Hive, and Future Star Education (Young Engineers) provided holiday activities for local children, utilising School sports pitches, the swimming pool, grounds and classrooms.

Warren Dell and Oxhey Wood State Primary Schools used the athletics track for their annual sports day. Children and adults from the local community were able to swim with Aquarius Swim Club; Ashley La Grange Swim Academy; Bushey Swim Club; Champions Swim School; Flippers Swim School; Hillingdon Swim Club; Sea Monkeys Swim School; and Prasad Aqua Style. Sports facilities were used by Excel Sports; Northwood FC; Cricket Tikes; David Goodchild Cricket; Vernon School of Cricket; OMTCC; OMT Colts Cricket Club; OMT Hockey Club; London Hockey; Friends Badminton; Active Training World; Your Advantage Tennis Academy and Maximum Performances.

120 South Oxhey Sea Scouts used the MTS Lake and water sports equipment, alongside other scouting activities within the school grounds. The Rickmansworth Fire Department made use of the lake for training days with their fire crews. Hillingdon Outdoor Activity Centre (HOAC) based their summer kayak courses at the MTS Watersports Centre, whilst Rickmansworth & Watford Sea Scouts used the swimming pool for kayak training.

Chiltern Harriers Athletics Club, Watford Joggers and Jet Stream Triathlon Club trained on the athletics track. Reddiford School used the School's sports facilities for PE lessons and afternoon games, which included athletics, cricket, and rounders. St. John's School continued their use of the MTS swimming pool for their swim lessons. London Hockey continued to use the Astro-turf pitches during practice sessions and competitive matches against other counties and are now making good use of the new hockey astro pitch, a welcome addition.

The strong partnership with Middlesex County Cricket Club developed further during a full summer of cricket, which included Youth cricket, the Men's 1st & 2nd XI teams playing fixtures. The School hosted a 50 Over One Day Cup fixture and a 4-day County Championship fixture. Middlesex CCC, Middlesex Academy and The Sunrises, made full use of the Julian Hill Cricket Centre throughout the winter.

The local MOD Northwood Base used the athletics track for individual fitness tests and training sessions. HMS Wildfire held a families event in the Exam Hall and the Hertfordshire Fire and Rescue teams used the MTS lake for their regular water rescue training.

The School hosted the start and finish of the Moor Park 10k and Fun Run, which raised funds for the local Mount Vernon Cancer Centre. Carpender's Park Angling Club continue to enjoy full access to the School's lakes and River Colne, providing important recreational activity to the local community.

Local State Primary Schools Warren Dell and Oxhey Wood Primary were hosted for Harry Potter themed activity days, making wands and hats (Art and DT), making potions (science experiments) and quidditch (PE lessons). This included coach transport and lunch. The D&T department hosted a series of STEM afternoons for Sarratt Church of England School; Bushey Heath Primary School; and Eastbury Park Farm. Local Primary Schools including Eastbury Farm and St Mary's School, attended a Science Challenge day involving a rotation of activities across the three sciences. They also attended a joint musical with members of their communities. An annual Medics Convention includes attendance from local state schools and local primary schools were included in the annual maths challenge.

Bushcraft sessions were provided to Maple Cross JMI School, St Peter's C Of E Primary School and Bushey Heath Primary School, making good use of the School grounds. This included raft building and leadership sessions. The Economics Department hosted a conference for over 100 students from local schools including St Helens, Rickmansworth School, Joan of Arc, Northwood, Clement Danes and Watford Boys. Students from Clement Danes School received Oxbridge interview practice, alongside students from St Anne's School in Enfield. IT equipment was provided to Bushey Heath Primary School, who received a number of PCs and Apple Macs.

The School has supported the local community by providing access to a wide range of sports facilities since moving to the site in 1933. This remains an important part of the School's role as a community hub and Governors will make every effort to maintain this contribution despite the political and economic pressure applied by the introduction of VAT on school fees and the removal of mandatory charitable relief on business rates.

4.5 Financial review

During the year under review, the School's incoming resources were £31.6m (2023: £29.4m) and total charitable expenditure was £28.7m (2023: £26.4m), generating a surplus before investment gains of £2.6m (2023: £2.7m). The principal source of income was school fees, which accounted for £29.3m (93%), (2023: £26.9m (91%)). £0.7m (2023: £1.0m) was raised through the Development Office for bursaries and School development, with £0.4m total cost of raising funds (2023: £0.3m).

During the year, the School's expenditure on scholarships and bursaries was £2.5m (2023: £2.3m). Capital expenditure of £5.2m (2023: £4m) and revenue expenditure of £0.6m (2023: £0.7m) were invested in the School infrastructure. At MTS, this included the Julian Hill Indoor Cricket Centre, classroom and changing room refurbishment, roof works and replacement of boilers and lighting, alongside cyclic replacement of IT equipment. At MTP, classrooms, kitchen and bathroom facilities were refurbished, alongside upgrades to boilers and electrics.

4.6 Reserves policy

The reserves policy is monitored by the Finance Committee and reviewed annually to ensure that the School has access to sufficient liquid assets to meet its non-discretionary financial obligations during periods of crisis. Future development plans will be funded by a combination of cash flow, fundraising and borrowing.

Total reserves as at 31 August 2024 were £50.0m (2023: £46.7m), of which £1.1m relates to Restricted funds (2023: £1.2m) and £2.5m to the Endowment Fund (2023: £2.0m). Unrestricted reserves totalled £46.4m (2023: £43.5m), of which £9.3m (2023: £8.9m) was designated for specific purposes, as outlined in Note 15 to the accounts.

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £6m). On 31 August 2024, free unrestricted reserves were £6.4m (2023: £7.4m). These are defined as unrestricted funds and expendable endowment that is available at the discretion of Governors, less fixed assets, adding back any outstanding loans, but includes investments available for conversion into cash.

4.7 Risk Management

Governors have established an effective risk management framework, which has been updated throughout the year in response to political, economic, social, technological, legal and environmental developments.

The Risk Management Committee, drawn from across the School, has reviewed emerging risks and updated the School's Risk Register to identify the likelihood and impact of foreseeable risks to the School's operations. As the Governor responsible for Risk Management, Alan Eastwood attended regular meetings of both the Risk Management Committee and the Health and Safety Committee and ensured that the Governing Body was updated when required. This responsibility was handed over to Simon Eggs in July 2024. The Risk Register is scrutinised by the School's Finance Committee annually, before the key strategic risks are reviewed by Governors.

The key risks and vulnerabilities identified during this period were: Political risk, Financial risk, Fire, Cyber-security, and Safeguarding. Governors have applied a range of measures to manage and mitigate these risks.

Governors identified the emerging risk of VAT on school fees, ensuring that fees are adjusted to mitigate the financial impact on parents and that the necessary professional expertise was applied to ensure VAT compliance. They also anticipated the removal of charitable relief on business rates from April 2025 and responded to the increase in Employers' National Insurance contributions. In response to economic pressure, Governors scrutinised expenditure and reduced operating costs where possible to control fee increases. This work will continue to limit the financial impact on fee paying parents.

Fire risk assessments were updated at both the Senior and Prep Schools in August 2024 and Governors will ensure that all action points are addressed.

The IT Team worked closely with external specialists to manage the School's information systems and address the growing Cyber-security Risk. Active threat detection systems remain in place and cyber-security measures are continually updated in line with best industry practice.

The School continues to implement the Safer Recruiting Action Plan to ensure that all appointments comply with Keeping Children Safe in Education and meet the ISI regulatory requirements. The Single Central Register and associated personnel files were scrutinised every term by the Safeguarding Governor to ensure compliance.

4.8 Remuneration policy

The Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the School Leadership Team. The Remuneration Committee considers all external environmental factors, which influence recruiting and retention. These include reference to independent benchmarking surveys, including Haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are presented to the main Governing Body for endorsement, before being implemented from September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles. Any changes to legislation are implemented without delay, including annual increases to the National Minimum Wage.

4.9 Investment policy

The MTS Investment Committee, chaired by Richard Newall (James Twining with effect from 22 November 2023), oversees the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the asset allocation adopted is reviewed in the light of external events and adjusted, as necessary. This continues to be a volatile period for the markets, but the Investment Committee has worked with Rathbones to protect the long term capital value of the School's endowment funds from inflation and market volatility, whilst building designated and endowment funds to support future bursary awards and other commitments.

4.10 Future plans

Merchant Taylors' School aims to be the independent day school of choice for boys aged 3-18 in the North West London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will derive lifelong benefit from the all-round education offered;

- ensure that an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;

- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;

- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;

- be mindful of our historic charitable foundation and promote wider public benefit in our activities;

- remain a competitive fee-paying school in the independent sector; and

- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School.

4.11 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the wellbeing, safeguarding and educational needs of the boys and staff foremost as well as providing support in the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries; capital expenditure management and possible future changes to fiscal policy.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in this Strategic report, which can be found at section 4.1 - 4.8. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.7 of the Strategic report.

Our environmental, social and governance practices are described in section 4.4 (Public benefit and outreach) and the extent of bursary support for pupils whose families are unable to pay the school fees are primarily set out at section 4.5 (Financial review). For the third year, Merchant Taylors' School is reporting key energy and carbon usage information and this can be found below in section 4.12 (Environmental performance).

4.12 Environmental Performance

MTS SECR Reporting Period: September 2023 – September 2024

Energy Source	Consumption	Scope	2024 Emissions calculation (t COe)	2023 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	3,244,026 kWh (gross CV (calorific value))	Scope 1	**593**	**466**
Transport – Mini-bus	26,300 miles	Scope 1	**10.58**	**8.25**
Diesel (100% mineral diesel)	11,500 litres	Scope 1	**30.61**	**23.67**
Propane – Total Litres	1,318 litres	Scope 1	**2.03**	**3.70**
Electricity – total kWh electricity bills for the school	1,401,266 kWh	Scope 2	**290**	**249**
Business travel (average car)	3598 miles	Scope 3	**0.98**	**0.18**
Business travel land (taxi)	47.5 km	Scope 3	**0.01**	**0.29**
Business travel land (rail)	5,502 km	Scope 3	**0.20**	**0.03**
Business travel (air short haul)	1,895 km	Scope 3	**0.36**	**0.13**
Business travel (air domestic)	2,096 km	Scope 3	**0.57**	**0.0**
Hotel Stay	10.4 kg CO2e	Scope 3	**0.02**	**0**
Water Supply	29,114 m3	Scope 3	**4.67**	**5.2**
Water Treatment	214,330 m3	Scope 3	**4.47**	**4.7**
Waste Disposal - Metal	1.5 tonnes	Scope 3	**18.59**	**31.9**
Waste Disposal - WEEE Mixed	0.45 tonnes	Scope 3	**0.0**	**9.57**
Waste disposal - Batteries	0.02 tonnes	Scope 3	**0.06**	**0.42**
Waste Disposal - Paper and board: mixed	2.98 tonnes	Scope 3	**29**	**63**
Waste Disposal - Glass	5.39 tonnes	Scope 3	**28**	**115**
Waste Disposal - Refuse/ Commercial and industrial waste	35.75 tonnes	Scope 3	**387**	**761**
Waste Disposal - Paper	0 tonnes	Scope 3	**72**	**0**
Total			**1,472**	**1,742**
Intensity ratio	Emissions data (tCO2e) per pupil &FTE		**1.2t CO2e per pupil & FTE**	**1.4t CO2e per pupil & FTE**

MTP SECR Reporting Period: September 2023 – September 2024 Energy Source	Consumption	Scope	2024 Emissions calculation (t COe)	2023 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	421,057 kWh (gross CV calorific value)	Scope 1	77	68
Transport – Mini-bus	7,515 miles	Scope 1	3.02	2.80
Electricity – total kWh used for the year, taken from the electricity bills for the school	218,114 kWh	Scope 2	45	46
Water Supply	2,487 m3	Scope 3	0.47	0.41
Water Treatment	1,964 m3	Scope 3	0.36	0.30
Waste Disposal – Refuse/Commercial and industrial waste	10.01 tonnes	Scope 3	64.55	411
Waste Disposal - Paper and board: mixed	3.68 tonnes	Scope 3	23	117
Waste Disposal - Metal	1.3 tonnes	Scope 3	0.0	1.28
Waste Disposal – Organic food	11.76	Scope 3	75.38	0
Business travel (average car)	290 miles	Scope 3	0.08	0
Business travel (rail)	209 km	Scope 3	0.008	0
Total			289	647
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		0.79t CO2e per pupil & FTE	1.42t CO2e per pupil & FTE

Quantification and Reporting Methodology

This methodology follows the 2019 HM Government Environmental Reporting Guidelines. We have also used SECR Reporting Protocol and the 2024 Government Emission Conversion Factors for Company Reporting (condensed set). We have adopted the recommended intensity measurement for the sector, which is total gross emissions in metric tonnes CO2e per staff and pupil.

- Scope 1 refers to direct business greenhouse gas emissions generated including from furnaces or heating equipment;
- Scope 2 covers indirect emissions from electricity, which a firm needs, but which come from sources outside the control of the School including power stations; and
- Scope 3 covers emissions (not classed as Scope 2) that are a consequence of our actions but are not under the control of the School.

Measures Taken to Improve Energy Efficiency

The School introduced an environmental campaign (Using Less @ MTS) to reduce carbon emissions through staff and student engagement. Aging boiler plant has been replaced and Air Source Heat Pumps have been installed where appropriate. Stand-alone boilers have been removed to maximise the efficiency of the district heating plant. Building Management Systems have been introduced to improve control over electric, gas and water consumption. We continue to invest in LED lighting and have invested heavily in Solar Panels across both sites. A program to install new double glazed and better fitting crittal windows to help reduce emissions and we are looking to also reduce our water consumption to irrigate sports areas.

MTS remains committed to reducing its carbon footprint and enhancing sustainability. Energy-saving measures are monitored, with energy consumption carefully recorded and analysed. Governors oversee the energy tendering process, ensuring alignment with the School's sustainability objectives.

Over the past year, significant progress has been made, including the installation of photovoltaic cells at the Prep and Senior Schools, which has contributed to substantial energy production. Energy systems have been optimised by the installation of variable speed drives on water pumps, heat recovery systems in the swimming pool plant room, and enhancements to the building management system controls. Voltage optimisation and the use of a pool cover have further improved energy efficiency.

The School has prioritised staff engagement through an energy management program, encouraging good practice like the overnight shutdown of electronic devices and appliances. These initiatives, along with sustained efforts to optimise building operations, have made a meaningful impact on the School's overall energy consumption.

Over the next three years, the School plans further sustainability improvements, including the installation of high-performance double-glazed windows and conversion to LED lighting. Base electrical loads will be minimised as building service control strategies are refined, fostering greater energy awareness through targeted training and initiatives.

The Sustainability Committee remains pivotal, reviewing and implementing environmental practice across the site. This reflects the School's commitment to responsible energy management and environmental stewardship, ensuring meaningful progress toward a more sustainable future.

4.14 Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) he / she has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

4.15 Disability statement

The School continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The School provides equal opportunities to all staff on the basis of objective criteria and personal merit.

4.16 Auditors

Saffery LLP, have indicated their willingness to continue in office.

By order of the Board

Cdre (Retd) A M Cree, CBE
Chairman
Date 19 March 2025

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2024 which comprise statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's state of affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 20 the trustees (who are also 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Auditor's responsibilities for the audit of the financial statements (continued)

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

http://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.

Cara Turtington (Senior Statutory Auditor) for and on behalf of Saffery LLP

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 26 March 2025

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

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2024

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2024	2023
Income from:		£	£	£	£	£	£
Charitable activities							
School Fees	2	29,273,767	-	-	-	**29,273,767**	*26,923,971*
Registration/Admissions Fees	3	126,333	-	-	-	**126,333**	*123,702*
Other charitable activities							
Other ancillary income - Insurance	3	1,216	-	-	-	**1,216**	*753*
Other ancillary income - Rents Received	3	268,016	-	-	-	**268,016**	*256,512*
Other	3	127,810	-	-	-	**127,810**	*142,697*
Other trading activities							
Donation from MTSEL	7	139,805	-	-	-	**139,805**	*156,588*
Profit on sale of assets		122	-	-	-	**122**	*9,361*
Investments	3	542,566	103,998	76,324	-	**722,888**	*511,181*
Donations & legacies							
Donations	3	61,649	-	250,830	-	**312,479**	*277,425*
Development Campaign Income	3	121,858	-	275,804	265,452	**663,114**	*1,034,747*
Total Income:		**30,663,142**	**103,998**	**602,958**	**265,452**	**31,635,550**	*29,436,937*
Expenditure on:							
Raising funds							
Alumni Relations and Development	5	299,147	-	59,007	-	**358,154**	*265,474*
Investment management		-	22,142	-	-	**22,142**	*18,941*
Financing costs		22,792	-	-	-	**22,792**	*19,227*
		321,939	**22,142**	**59,007**	-	**403,088**	*303,642*
Charitable Activities							
School and grant making		28,060,163	189,885	429,848	-	**28,679,896**	*26,380,453*
Loss on sale of Assets		-	-	-	-	-	*37,150*
Total expenditure	5	**28,382,102**	**212,027**	**488,855**	-	**29,082,984**	*26,721,245*
Net income/(expenditure) before investment gains		2,281,040	(108,029)	114,103	265,452	2,552,566	*2,715,692*

Statement of financial activities (continued)
For the year ended 31 August 2024

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2024	2023
Net gain/(loss) on investments		-	521,285	-	215,522	**736,807**	*(251,091)*
Net income		**2,281,040**	**413,256**	**114,103**	**480,974**	**3,289,373**	*2,464,601*
Transfers	8	190,859	6,999	(197,858)	-	-	-
Net movement in funds		**2,471,899**	**420,255**	**(83,755)**	**480,974**	**3,289,373**	*2,464,601*
Fund balances at 31 August 2023		34,623,210	8,920,912	1,184,557	1,973,197	**46,701,876**	*44,237,275*
Fund balances at 31 August 2024	14	**37,095,109**	**9,341,167**	**1,100,802**	**2,454,171**	**49,991,249**	*46,701,876*

Summary Income and Expenditure Account

	2024	2023
	£	£
Total Income	31,370,098	29,184,437
Total Expenditure	29,082,984	26,721,245
Unrealised/realised gains and (losses)	521,285	*(176,616)*
Net Income for the year	2,808,399	2,288,576

All amounts relate to continuing operations.

The notes on pages 29-44 form part of these financial statements.

Balance sheet
For the year ended 31 August 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Tangible Fixed Assets	6		39,193,814		35,856,666
Investments	7		8,023,607		6,864,667
Current assets					
Stocks	9	54,194		48,597	
Debtors	10	642,892		555,357	
Cash		14,705,425		9,680,920	
		15,402,511		10,284,874	
Current liabilities					
Creditors: due within one year	11	(8,475,817)		(5,552,437))	
Net current assets			6,926,694		4,732,437
Total assets less current liabilities			54,144,115		47,453,770
Creditors: due after more than one year	12		(4,152,866)		(751,894)
Total net assets			49,991,249		46,701,876
Unrestricted funds	15		46,436,276		43,544,122
Restricted funds	16		1,100,802		1,184,557
Endowment	17		2,454,171		1,973,197
Total funds	14		49,991,249		46,701,876

The financial statements were approved by the Governors on 19 March 2025

and were signed on their behalf by

Cdre (Retd) A M Cree CBE
Director

R H E Newall
Director

Company Registration No. 3411540

The notes on pages 29-44 form part of these financial statements.

Cash flow statement
For the year ended 31 August 2024

	Notes	2024		*2023*	
		£	£	£	£
Net cash flows from operating activities	18		9,933,335		4,263,833
Cash flows from investing activities					
Investment income		722,888		*511,181*	
Purchase of FA		(5,233,210)		*(3,559,750)*	
Proceeds from sale of investments		1,685,569		*1,131,893*	
Purchase of investments		(2,135,402)		*(1,718,925)*	
Proceeds from sale		122		*9,361*	
Net cash in investing activities			(4,960,033)		*(3,626,240)*
Cash flows from financing activities					
Movement in final deposits		23,500		*23,500*	
Net cash used in financing activities			23,500		*23,500*
Change in cash and cash equivalents in the reporting period			4,996,802		*661,093*
Cash and equivalents b/f	19		9,730,004		*9,068,911*
Cash and equivalents c/f at 31 August	19		14,726,806		*9,730,004*

The notes on pages 29-44 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places and the School's projected cash flows, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements, as outlined in the Statement of Trustees' Responsibilities on page 18.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128 year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

1.3 Depreciation

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

Building and leasehold improvements	-	70% charged over 50 years, 30% charged over 20 years - the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	-	over 10 years or 20 years
Machinery and motor vehicles	-	over 4 years
Computer hardware	-	over 4 years

Depreciation is not charged on assets under construction or freehold land. Individual items costing less than £500 are written off as an expense, as acquired.

1.4 Current assets

Stocks consist of textbooks, tablets and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

1.5 Fees and similar income

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

Accounting policies (continued)

1.6 Donations, legacies, grants and other voluntary income

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.7 Investments and investment income

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

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

1.8 Expenditure

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings, either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.9 Pensions

The School's teaching staff are members of the Teachers' Pension Scheme (England and Wales) (TPS) operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is an unfunded multi-employer scheme governed by The Teachers' Pension Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme. From September 2021 an optional defined contribution pension scheme (APTIS) was also made available to the teaching staff.

The group personal pension plan (APTIS) for eligible support staff continued to operate during the year under review and is detailed in note 20. The associated pension contributions costs are charged to the Statement of Financial activities as incurred.

1.10 Rental income

Rental income is accounted for on a receivable basis.

1.11 Fund accounting

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:
(i) Permanent Endowed Funds:
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds.

Accounting policies (continued)

1.12 Operating leases

Rentals payable are charged on a time basis over the lease term.

1.13 Taxation

The School is a registered charity and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.14 Debtors

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

1.15 Cash at bank and in hand

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

1.16 Creditors

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

1.17 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Critical accounting judgement and estimates

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

Accruals are estimates as costs that will be incurred based on contractual requirements For depreciation, estimates are driven by the useful economic life of the associated assets.

For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School fees

	2024 £	2023 £
The School's fee income comprised:		
Gross Fees	31,355,418	28,757,194
Less: Total Bursaries, Grants and Allowances	(2,511,499)	(2,265,128)
	28,843,919	26,492,066
Add back: Scholarships, Grants and Allowances paid for by Restricted Funds held by: MT Co Charities Fund; MTET Endowment Fund; and Development Fundraising	429,848	431,905
	29,273,767	26,923,971

3. Other income

	2024 £	2023 £
Other educational charitable activities		
Registration Fees	107,466	101,102
Admission Fees	18,867	22,600
	126,333	123,702
Other ancillary activities		
Insurance	1,216	753
Rents Receivable	268,016	256,512
Deposits Forfeited, Fees In Lieu, Music Income and Other Misc Income	127,810	142,697
MTSEL donation	139,805	156,588
Profit on sale of asset	122	9,361
	536,969	565,911
Investment income		
Bank Interest	533,876	329,073
Investment Income	180,322	149,111
Interest on Late Fees	8,690	32,997
	722,888	511,181
Donations		
MT Company Donation	10,080	52,425
OMT Gifted Asset	61,649	
MTET Endowment Fund	240,750	225,000
	312,479	277,425
Development Campaign Income	663,113	1,034,747
	975,592	1,312,172

4. Expenditure

	2024 £	2023 £
Support costs of schooling included:		
Auditors' renumeration for audit services	36,734	31,864
Auditors' renumeration for other services	-	-
	36,734	31,864
Total staff costs comprised:		
Wages and salaries	15,047,543	13,835,880
Social security costs	1,542,604	1,460,239
Pension contributions	3,203,463	2,718,762
Termination costs	33,962	20,796
	19,827,572	18,035,677

Employees

The average number of employees in the year was 397 (2023: 374) of which 159 (2023: 151) were teaching staff.

The number of higher paid employees was:	2024	2023
£60,001-£70,000	42	44
£70,001-£80,000	29	20
£80,001-£90,000	8	0
£90,001-£100,000	0	5
£100,001-£110,000	3	0
£110,001-£120,000	0	1
£120,001-£130,000	1	0
£130,001-£140,000	1	1
£220,001-£230,000	1	1

Sixty nine (2023:sixty eight) of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme - employer contributions paid at the rate of 28.68% of salary) and six (2023:four) employees had benefits accruing in the Group Personal Pension Plan (with employer contribution paid at 15% (2023:15%) of salary.

The key management personnel of the School comprise the Headmaster, the Bursar and the Senior Leadership Team. Their combined contractual benefits totalled £1,868,719 (2023: £1,699,497).

Governors' remuneration

No Governor, nor persons connected with them, received any remuneration in the year ended 31 August 2024 (2023:Nil) and Governors are not included in the number of persons employed given above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2024 £
Raising funds				
Financing costs / bank interest	-	22,792	-	22,792
Investment management	-	22,142	-	22,142
Development office (unrestricted)	239,424	59,723	-	299,147
	239,424	104,657	-	344,081
Charitable activities				
Teaching	15,165,516	2,112,206	-	17,277,722
Welfare	922,521	732,704	-	1,655,225
Premises	1,325,201	3,580,316	999,993	5,905,510
Support Costs of schooling	2,174,910	341,222	705,574	3,221,706
School's operating costs	19,588,148	6,766,448	1,705,567	28,060,163
Bursaries paid for by Restricted Funds	-	429,848	-	429,848
Development Campaign Restricted	-	59,007	-	59,007
OMT Sports facilities	-	-	189,885	189,885
	-	488,855	189,885	678,740
Total Expenditure	**19,827,572**	**7,359,960**	**1,895,452**	**29,082,984**

Analysis of total expenditure - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2023 £
Raising funds				
Financing costs / bank interest	-	19,227	-	19,227
Investment management	-	18,941	-	18,941
Development office (unrestricted)	212,781	50,693	-	263,474
	212,781	88,861	-	301,642
Charitable activities				
Teaching	13,859,917	2,019,780	-	15,879,697
Welfare	868,343	642,132	-	1,510,475
Premises	1,194,432	3,555,534	909,446	5,659,412
Support Costs of schooling	1,900,204	204,167	641,858	2,746,229
School's operating costs	17,822,896	6,421,613	1,551,304	25,795,813
Bursaries paid for by Restricted Funds	-	431,905	-	431,905
Development Campaign Restricted	-	2,000	-	2,000
OMT Sports facilities	-	-	189,885	189,885
	-	433,905	189,885	623,790
Total Expenditure	**18,035,677**	**6,944,379**	**1,741,189**	**26,721,245**

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2024
	£	£	£	£
Costs or revaluations				
1 September 2023	**45,615,255**	**2,994,665**	**10,410,017**	**59,019,937**
Additions	2,791,198	1,334,845	1,107,167	5,223,210
Transfers	2,994,665	(2,994,665)	-	-
Disposal	-	-	(732)	(732)
31 August 2024	51,401,118	1,334,845	11,516,452	64,252,415
Depreciation				
1 September 2023	**16,024,494**	**-**	**7,138,777**	**23,163,271**
Charge for current year	1,189,878	-	705,574	1,895,452
Disposal	-	-	(122)	(122)
31 August 2024	17,214,372	-	7,844,229	25,058,601
Net book value				
31 August 2024	**34,186,746**	**1,334,845**	**3,672,223**	**39,193,814**
31 August 2023	29,590,761	2,994,665	3,271,240	35,856,666

Of the total net book value of land and buildings included above, £8,208,108 is freehold (£2,900,000 land) and £25,978,638 is leasehold.

7. Investments

	2024	2023
	£	£
Investment in subsidiary	100	100
Quoted Investments	8,023,507	6,864,567
Fees In advance Investments		-
	8,023,607	6,864,667

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2024	2023
	£	£
Gross profit	488,479	404,710
Gross expenditure	(348,674)	(248,122)
Net surplus before donating to MTS	139,805	156,588

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2023:£100).

Investments at 31 August 2024 were:	Quoted Investments
	£
Fixed Interest	731,192
Fixed Income	616,630
UK Equities	1,569,088
Overseas Developed	1,951,501
Overseas Developing Markets	365,714
Global Investments	2,047,178
Diversifiers	720,823
Cash	21,381
	8,023,507

Investments Note:

	Investments
	£
Opening Market Value	6,815,484
Additions at cost	2,135,404
Disposals	(1,685,569)
Unrealised Gains	736,807
	8,002,126
Cash	21,381
Market Value carried forward	**8,023,507**

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2024	2023
	£	£
Housing Fund – Designated	6,999	6,999
Transfers to unrestricted	190,859	1,6687,309
Bursary Fund – Designated	-	-
Bursary Fund – Restricted	-	-
Capital Fund – Restricted	(197,856)	(1,694,308)
Endowed Funds	-	-
Net transfer to/(from) Funds	-	-

Bursary funds (which are found in notes 15, 16 and 17) are invested where the income is reinvested each year, rather than being distributed. The income is recognised in the statement of financial activities in the restricted or designated bursary fund (as appropriate), as available to fund bursaries. Consequently, transfers above have made between funds to recognise the reallocation of investments, and any gains and losses thereon. The transfer of funds this year has been in relation to a specific fundraising appeal and the capital work is completed and the restriction has been fulfilled.

Refer to Notes 15, 16 and 17 for further analysis.

9. Stocks

	2024	2023
	£	£
Consumables (including textbooks)	20,141	15,269
Goods for resale	34,053	33,328
	54,194	48,597

10. Debtors

	2024	2023
	£	£
Trade / Fee Debtors	106,090	66,613
Amounts owed from Related Undertakings (see Note 23)	149,227	159,762
Prepayments and accrued income	265,914	164,593
Other debtors	121,661	164,389
	642,892	555,357

11. Creditors: due within one year

	2024	2023
	£	£
Final term deposits	76,800	97,100
Trade creditors	446,466	864,285
Accruals	1,403,353	811,352
Exam deposits and Autumn term pre-payments	2,427,870	2,430,722
Other deferred income	-	1,150
Fees In Advance Scheme	2,847,554	202,942
Other creditors	1,273,774	1,144,886
	8,475,817	5,552,437

12. Creditors due after more than one year

	2024	2023
	£	£
Final term deposits		
Within 1 to 2 years	69,600	76,400
Within 2 to 5 years	252,000	246,000
After 5 years	265,000	219,600
	586,600	542,000
Fees in Advance		
Within 1 to 2 years	2,669,441	123,121
Within 2 to 5 years	848,461	86,773
After 5 years	48,364	-
	3,566,266	209,894

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2023	412,737
New contracts	6,230,648
Discounts	3,380
	6,646,765
Amounts utilised in payment of fess	(232,947)
Balance as at 31 August 2024	6,413,818

14. Analysis of net assets

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	44,764,750	14,300,209	(8,475,817)	(4,152,866)	**46,436,276**
Restricted funds	-	1,100,802	-	-	**1,100,802**
Permanent endowment funds	1,924,462	1,500	-	-	**1,925,962**
Expendable endowment funds	528,209	-	-	-	**528,209**
Total	**47,217,421**	**15,402,511**	**(8,475,817)**	**(4,152,866)**	**49,991,249**

Analysis of net assets – previous year

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	40,748,136	9,100,317	(5,552,437)	(751,894)	**43,544,122**
Restricted funds	-	1,184,557	-	-	**1,184,557**
Permanent endowment fund	1,497,844	-	-	-	**1,497,844**
Expendable endowment fund	475,353	-	-	-	**475,353**
Total	**42,721,333**	**10,284,874**	**(5,552,437)**	**(751,894)**	**46,701,876**

15. Analysis of unrestricted funds

	Balance 2023	Income/Gains	Expenditure	Transfers	Balance 2024
	£	£	£	£	£
Undesignated					
General Reserves	34,623,210	30,663,142	(28,382,102)	190,859	**37,095,109**
Designated					
Housing Fund	82,453	-	-	6,999	**89,452**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	608,108	69,136	-	-	**677,244**
OMT Asset Fund	4,144,981	-	(189,885)	-	**3,955,096**
Durrants Fund	3,963,790	556,147	(22,142)	-	**4,497,795**
Fees In Advance Scheme	-	-	-	-	**-**
	8,920,912	625,283	(212,027)	6,999	**9,341,167**
Total	**43,544,122**	**31,288,425**	**(28,594,129)**	**197,858**	**46,436,276**

Refer to Note 8 for further information regarding transfers.

Analysis of unrestricted funds - previous year

	Balance 2022	Income/Gains	Expenditure	Transfers	Balance 2023
	£	£	£	£	£
Undesignated					
General Reserves	30,940,149	28,068,239	(26,071,183)	1,687,309	**34,624,514**
Designated					
Housing Fund	75,454	-	-	6,999	**82,453**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	639,314	-	(31,206)	-	**608,108**
OMT Asset Fund	4,334,866	-	(189,885)	-	**4,144,981**
Durrants Fund	4,029,828	85,978	(162,351)	-	**3,953,455**
Fees In Advance	9,031	-	-	-	**9,031**
	9,210,073	85,978	(383,442)	6,999	**8,919,608**
Total	**40,150,222**	**28,154,217**	**(26,454,625)**	**1,694,308**	**43,544,122**

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Pension Fund

Historically the designated Pension Fund had been set up to fund the School's share of the deficit in the Merchant Taylors' Company Pension Scheme. During 2013 the Trustees completed a buy-out with Aviva Plc. and the School entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund is being maintained with a view to meeting any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011, the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge in the accounts of £189,885 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities. Included within the Durrants Fund, is a revaluation reserve totalling £722,928 in relation to fixed asset investments.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2023	Incoming Resources	Resources Expended	Transfers	Balance 2024
	£	£	£	£	£
General Donations	178,762	327,154	(305,837)	-	**200,079**
	178,762	327,154	(305,837)	-	**200,079**
Development Fund					
Bursary	861,145	179,684	(179,018)	-	**861,811**
Sports, arts and school campus	37,895	5,017	(4,000)	-	**38,912**
Capital projects	106,755	91,103	-	(197,858)	**-**
	1,005,795	275,804	(183,018)	(197,858)	**900,723**
Total	**1,184,557**	**602,958**	**(488,855)**	**(197,858)**	**1,100,802**

Refer to Note 8 for further information regarding transfers.

Analysis of restricted funds - previous year

	Balance 2022	Incoming Resources	Resources Expended	Transfers	Balance 2023
	£	£	£	£	£
General Donations	115,629	340,558	(277,425)	-	**178,762**
	115,629	340,558	(277,425)	-	**178,762**
Development Fund					
Bursary	881,079	134,546	(154,480)	-	**861,145**
Sports, arts and school campus	35,023	4,872	(2,000)	-	**37,895**
Capital projects	1,250,819	550,244	-	(1,694,308)	**106,755**
	2,166,921	689,662	(156,480)	(1,694,308)	**1,005,795**
Total	**2,282,550**	**1,030,220**	**(433,905)**	**(1,694,308)**	**1,184,557**

17. Analysis of endowed funds

	Balance 2023	Income/Gains	Expenditure	Transfers	Balance 2024
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,497,844	428,118	-	-	**1,925,962**
Expendable Endowment	475,353	52,856	-	-	**528,209**
Total	**1,973,197**	**480,974**	**-**	**-**	**2,454,171**

Refer to Note 8 for further information regarding transfers.

Analysis of endowed funds - previous year

	Balance 2022	Income/Gains	Expenditure	Transfers	Balance 2023
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,307,005	252,500	(61,661)	-	**1,497,844**
Expendable Endowment	497,498	-	(22,145)	-	**475,353**
Total	**1,804,503**	**252,500**	**(83,806)**	**-**	**1,973,197**

The Permanent Endowment was initiated in 2009 when the School launched its campaign for bursaries ("Forward To Our Roots"). The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2024	2023
Net income for the reporting period	**3,289,373**	2,464,601
Depreciation	**1,895,452**	1,741,189
Losses/(gains) on investments	**(736,807)**	278,484
(Investment income)	**(722,888)**	(511,181)
Increase in operating creditors and accruals	**6,300,851**	54,381
(Increase)/decrease in debtors	**(87,536)**	152,554
(Increase)/decrease in stock	**(5,598)**	56,016
Loss on sale of asset	**610**	37,150
Profit on sale of Asset	**(122)**	(9,361)
Net cash flow from operating activities	**9,933,335**	4,263,833

19. Net debt reconciliation

	At 1 September 2023	Cash Flows	Other non cash changes	At 31 August 2024
Cash and cash equivalents				
Cash at bank and in hand	9,680,920	5,024,505	-	14,705,425
Cash at investment managers	49,084	(27,700)	-	21,384
Total	**9,730,004**	**4,996,805**	-	**14,726,809**

Net debt reconciliation - previous year

	At 1 September 2022	Cash Flows	Other non cash changes	At 31 August 2023
Cash and cash equivalents				
Cash at bank and in hand	8,842,859	838,061	-	9,680,920
Cash at investment managers	226,052	(176,968)	-	49,084
Total	**9,068,911**	**661,093**	-	**9,730,004**

20. Pension costs

Teaching staff

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,492,552 (2023: £2,097,339) and at the year-end £317,012 (2023 - £254,437) 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.

Pension costs (continued)

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. As a result of this valuation the TPS employer contribution rate increased from 16.48% to 23.68% from September 2019.

The scheme was last subject to an actuarial valuation based on data as at 31 March 2020 in accordance with the updated version of the Directions. The outcome is that from April 2024 the employer contribution rate will increase to 28.6%

Support staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School, subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to 2024: £710,911 (2023:£621,423).

21. Capital commitments

Capital expenditure contracted but not provided for in the financial statements for the School, totalled £nil million (2023: £1.23m).

22. Other financial commitments

At 31 August 2024, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	**185,057**	*185,057*
Between 2 and 5 years	**624,403**	*750,843*
In *over* 5 years	**12,337,160**	*12,449,316*

23. Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

The individual trustees of Merchant Taylors' Educational Trust are each the members of Merchant Taylors' School in their personal capacity and therefore collectively ultimately control Merchant Taylors' School and its subsidiary, Merchant Taylors' School Enterprises Limited. They approve the appointment of the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company. The balance outstanding from MTET at the year-end was £Nil (2023: £Nil).

23.2 Merchant Taylors' School Enterprises Limited (MTSEL)- Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The profit donated to the School was £139,805 (2023: £156,588). The balance outstanding from MTSEL at the year end was £149,227 (2023: £160,490).

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance receivable from Merchant Taylors' Company in respect of these services at the year end was 2024: £nil (2023: £nil).

The Merchant Taylors' Company owns the original land and buildings from which the Senior School operates. The School currently has a 128 year lease from 16 March 2011, at a current annual rent of £150,669 (2023: £112,156) to be subject to review.

23.4 Merchant Taylors' School and St John's School, Northwood shared common administration during the year. Finance staff at Merchant Taylors' School provided professional support to St John's School. An annual management fee of £26,667 (2023: £80,000) was charged for this service.

23.5 Governors do not receive any remuneration but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £3,477 (2023: £2,144) paid to three (2023: three) Governors.

The total amount of donations received from the Governors during the year was £8,520 paid by five Governors (2023: £6,104) (paid by five Governors), of which £7,270 was restricted to the indoor cricket centre (2023: £5,804).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, £41,333 was receivable from The Old Merchant Taylors' Society (2023: £28,001).

24. Comparative information

	Unrestricted			Permanent	2023
	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds
Income from:	£	£	£	£	£
Charitable activities					
School Fees	26,923,971	-	-	-	**26,923,971**
Registration/Admissions Fees	123,702	-	-	-	**123,702**
Other charitable activities					
- Insurance	753	-	-	-	**753**
- Rents received	256,512	-	-	-	**256,512**
- Other	142,697	-	-	-	**142,697**
Other trading activities					
Donation from MTSEL	156,588	-	-	-	**156,588**
Profit on sale of assets	9,361	-	-	-	**9,361**
Investments	362,070	85,978	63,133	-	**511,181**
Donations & legacies					
Donations	-	-	277,425	-	**277,425**
Development Campaign Income	92,585	-	689,662	252,500	**1,034,747**
Total Income:	**28,068,239**	**85,978**	**1,030,220**	**252,500**	**29,436,937**
Expenditure on:					
Raising funds					
Alumni Relations and Development	256,143	-	2,000	7,331	**265,474**
Investment management	-	18,941	-	-	**18,941**
Financing costs	19,227	-	-	-	**19,227**
	275,370	**18,941**	**2,000**	**7,331**	**303,642**
Charitable Activities					
School and grant making	25,758,663	189,885	431,905	-	26,380,453
Loss on Sale of Assets	37,150	-	-	-	37,150
Total expenditure	**26,071,183**	**208,826**	**433,905**	**7,331**	**26,721,245**
Net income/(expenditure) before investment gains	**1,997,056**	**(122,848)**	**596,315**	**245,169**	**2,715,692**
Net loss on investments	-	(174,616)	-	(76,475)	(251,091)
Net income	**1,997,056**	**(297,464)**	**596,315**	**168,694**	**2,464,601**
Transfers	1,687,309	6,999	(1,694,308)	-	-
Net movement in funds	**3,684,365**	**(290,465)**	**(1,097,993)**	**168,694**	**2,464,601**
Fund balances at August 2022	30,938,845	9,211,377	2,282,550	1,804,503	44,237,275
Fund balances at August 2023	**34,623,210**	**8,920,912**	**1,184,557**	**1,973,197**	**46,701,876**

MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2023

Contents

	Page
Reference and administration	3
Governors' report (incorporating the Strategic report)	4-18
Independent auditors' report	19-22
Statement of financial activities	23-24
Balance sheet	25
Cash flow statement	26
Notes to the financial statements	27-42

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Mr D G M Eggar (Chairman), Eur.Ing, C.Eng, MICE, BSc, FRSA
Miss P Barefoot, BSc
Mr Michael Bond (appointed 12/06/2023)
Mr R J Brooman, MA, FCA
Dr J M Cox, BSc, PhD
Cdre A Cree, CBE Royal Navy
Mr G B M H du Parc Braham, MA, MPhil
Mr A Eastwood, BComm, ACA
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD
The Hon R H E Newall, PICAM, FCSI
Mr J C Oram, BA, MSc, MRICS
Miss L Orr, MA. MSt. Barrister-at-Law
Mr V Paul, BA, MSc
Mrs J K M Redman, LLB
Mr J D R Twining, BA, MA
Mr C J Williams, MA, ACA (appointed 22/11/2023)

Head Master	Mr S J Everson, MA	
Bursar and Company Secretary	Mr I D Williams BSc, MBA	
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website: www.mtsn.org.uk	
Registered numbers	Company registration number Charity registration number	3411540 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT	
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD	
Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE	

1. INTRODUCTION

The Governors of Merchant Taylors' School (the School) present their annual report and audited financial statements of the Charity for the year ended 31 August 2023. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and St John's School. On 1 August 1997, MTS was incorporated as a private company limited by guarantee and was registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School to form a combined Merchant Taylors' School, providing pupils with an all-through experience of education for boys aged 3-18.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 28 June 2018.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, Safeguarding training, an induction visit and an induction pack stating their responsibilities. Collective training and individual training is made available to Governors. The training includes access to conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year under the leadership of its Chairman, Duncan Eggar. Financial performance is monitored by the Finance Committee, chaired by The Hon. Richard Newall. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Risk and Health & Safety (Alan Eastwood). An Estates Committee, chaired by Jason Oram, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Deepak Haria, provides strategic direction for fundraising and alumni activities. A Nominations Committee comprises four Governors and is chaired by Duncan Eggar.

Executive day to day management of the School is delegated to the Head Master, Bursar and Head of Prep, supported by members of the School's Leadership Teams. The Clerk to the Governors coordinates the work of Governors and their Committees. All Trustees give freely of their time and no remuneration was paid during this period.

2.4 Group structure and relationships

The Charity has a wholly owned non-charitable subsidiary, Merchant Taylors' School Enterprises Limited, which manages the School's facilities when not in use by the School. The School has close links with St John's Preparatory School in Northwood, by virtue of common control, mutual support and shared financial administration. St John's is a private company limited by guarantee and a separate registered charity, which can be contacted at Potter Street Hill, Northwood, Middlesex, HA6 3QY (www.st-johns.org.uk).

3. CHARITABLE OBJECTS AND AIMS

3.1 Charitable objects

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 Mission and Values

Our Mission

We exist to help pupils develop into rounded individuals of good character and to support them to discover their full potential for excellence in both academic work and beyond.

Beliefs and Attitudes

Our beliefs and attitudes define our approach to achieving our mission. At their core is the idea that if we know each pupil individually and encourage them to take advantage of a wide range of opportunities in a culture which celebrates excellence but cherishes kindness, then they will have the confidence to find their niche where they can grow and develop.

- We believe that pupils thrive in a harmonious atmosphere, so we value kindness, collaboration and joyfulness.

- We believe that each child is different and develops best when we know them individually, so we value small groups, long-term relationships and taking the time to get to know one another.

- We believe that everyone should be able to try everything, enjoy many things and excel at something. Our job is to encourage each pupil to find those things and have the world-class resources necessary to support them as far as they can go.

- We believe that excellence is an ongoing journey. We value the quiet confidence that comes from achievement, the self-knowledge to see where improvement lies, the innovation to take the next step forward and the humility that comes from knowing the journey isn't over.

- We believe that those with inquisitive minds enjoy more fulfilling and engaged lives. Our culture of scholarship inspires and nurtures self-development, critical thinking, creativity and intellectual exploration.

- We believe that our pupils will become tomorrow's leaders; we want them to have the character and courage to lead with inspiration and integrity.

- We believe that the school must be a positive presence in the community. We value open, honest and collaborative partnerships between parents, staff and pupils. We support the wider community through shared use of our facilities and open up opportunities through our bursary scheme.

Values

Our values underpin everything we do: they are the character of the school. From the Head Master's study to the classroom to the playing fields, these values are reinforced through praise and example.

Creativity

We are innovative in solving problems and embrace change. We foster a sense of curiosity. We try new things. We play and explore. We are constantly imagining ways to drive self-improvement. We express our creativity intellectually, artistically and in our outlook.

Courage

It takes courage to demand more of ourselves: to overcome the fear of looking foolish trying a new activity, and to find the grit to strive for excellence when we find we have potential for it. Moral courage is when we stand up for what we know is right, whatever the odds, when we live our values even if it would be easier not to.

Confidence

We face the world with self-knowledge and with the ground firmly secure under our feet. Our hallmark is quiet confidence. We take pride in our strengths and achievements, tempered by the humility of knowing our weaknesses.

Character

We treat one another with kindness, respect and civility. We disagree but argue our case and seek to influence with integrity. We are courteous. We are interested and interesting. We are grateful for our community and proudly serve it. We conduct ourselves honourably and know that how you play the game is important.

Collaboration

We work well together and bring out the best in each other. Academic success is the product of collaboration between staff, parents and pupils. We inspire one another to achieve a common goal. We are open, share information and see ourselves as a happy community born of shared aspirations.

Excellence

We celebrate excellence. We enjoy finding our niche and developing our full potential. We recognise the hard work and ambition that drives scholarship. We appreciate the long hours of training, practice and teamwork which result in success outside of academic endeavours.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means-tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through financial means testing. When required, further assistance is provided to meet additional expenses including activities, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances.

Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. Through scholarships, we aim to attract particularly able pupils, whether academic, music or sports, thereby raising overall aspirations and achievement of both staff and all pupils. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance.

During the year, 221 boys benefited from financial support from the School totalling £1,900,643, which represents over 7% of total expenditure. 72 boys (8%) received means tested bursaries to the total value of £1,056,259, which represented 5% of the School's gross fee income. This provided access to families from our local community, who would otherwise have been unable to afford the fees. 26 of those boys (36%) received transformational bursary support of between 80% and 100% of their fees. In addition to tuition fees, financial support included coach transport and the provision of a Surface Pro tablet to support their academic studies where required. In addition, 149 boys were awarded academic scholarships based on educational merit and potential, to a total value of £844,384 (4% of gross fee).

4. Strategic report (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 7 to 18)

4.1 Principal activities of the year 2022-2023

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. Average pupil numbers remained slightly above the budget level throughout the period with 946 boys (2022: 932) at MTS and 370 boys (2022: 368) at MTP. The School continued to achieve high academic standards, whilst maintaining the outstanding level of pastoral care and co-curricular activities that underpinned all activities. The School continued to develop strong links with the local educational and wider communities.

4.2 Objectives for the year 2022-2023

The School Improvement Plan ("SIP") provides an effective framework for the School's strategic goals. The SIP is framed by five clear objectives for development:

- Developing links with local schools;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 Operational performance review 2022-2023

4.3.1 Academic

This year saw the launch of a new three-year academic development plan, building on the success of the previous period 2019-2022. The plan focused on many areas identified by The Times Education Commission Report, which were already embedded within the MTS education.

Specifically, the use of technology in the classroom was extended by the provision of a tablet for all pupils from Years 9-13 to use in every lesson. Each department developed a blend of technical and human skills to help pupils to flourish in the world of the mid-21st century. They worked with the Careers team to guide pupils on the options open to them and how their academic studies would prepare them for their future.

Concurrently, investment in staff development continued by welcoming over a dozen new teaching staff and supporting six Early Career Teachers through their training, as well as hosting a further six PGCE students during their school-based phases of training.

Summer examinations in 2023 saw a Department for Education decision to return to 2019 standards in England. This meant that nationally results were expected to be considerably below those seen in 2020 (Centre Assessed Grades), 2021 (Teacher Assessed Grades) and 2022 (where there was some advanced information, more optionality and lower boundaries). In this context, our pupils performed admirably, and we are proud of them and their teachers who facilitated their success.

A Level & Pre-University

For reasons explained above, for the A Level/Pre-U cohorts this was their first experience of public examinations and they performed strongly. There were a number of whole cohort interventions during the year to underline the level of challenge they would face, along with many individual conversations and support plans, which had the desired effect.

As in previous years, there were some impressive individual performances: 15 of our pupils achieved solely A* grades, 9 boys received 4 A*s (8 in 2022) and 23 boys were awarded 3 or more A*s (19 in 2022).

Table 1: A Level and Pre-U Results in overview (Cumulative percentages)

Result	A*	A	B	C	D	E
2023	**32.35**	**69.98**	**88.58**	**95.98**	**98.73**	**99.58**
2022	34.48	76.46	95.00	99.79	100	100
2021 (TAGs)	58.71	86.45	96.99	99.57	100	100
2020 (CAGs)	42.12	80.18	95.95	99.32	100	100
2019	33.71	76.4	91.46	97.98	99.33	100
2018	29.24	70.09	92.41	98.44	99.33	99.78

Operational performance review 2022-2023 (continued)

GCSE and IGCSE

Whilst results were expected to be pushed back to 2019 standards, it was reassuring to see our GCSE results exceeding 2019 at the top end with more 9/8 equivalent grades than ever in public examinations.

Table 2: GCSE Results in overview (cumulative percentages)

RESULTS	9	9-8	9-7	9-6	9-5	9-4
2023	**36.0**	**68.0**	**86.0**	**96.0**	**99.5**	**99.8**
2022	51	77	93	98	100	100
2021 (TAGs)	53	82	95	99	100	100
2020 (CAGs)	45	74	93	99	100	100
2019		66	88	97	100	100
2018		64	87	98	100	100

As at A Level, there were many superb individual performances which we celebrate; of 172 pupils in the year group:

- 19 students achieved 9 (the highest possible grade) in eight or more subjects
- 55 pupils achieved 5 or more 9s.
- 71 pupils, were awarded 8 or more 8-9 grades.
- Every pupil in the year group took Maths; 91% attained an 8 or 9.

4.3.2 University Admissions

Of our 147 leavers, 103 secured places at their first-choice university. A further 19 accepted their insurance choice and 17 were placed through Clearing. One student chose to take up a place at a US university (Boston College). One student held an offer for a prestigious Degree Apprenticeship with KPMG Legal but chose to take a university place instead. Seven leavers chose to take a year out before reapplying.

71% of our students are to take up places at Russell Group universities, with increased places at 'top' non-Russell Group (though equally prestigious) universities such as Loughborough and Bath. All 10 Oxbridge offers were satisfied and there was further success in applications to read Medicine: MTS students received fifteen offers this year, representing 30% of the applications made in this field.

Economics and related degrees (including finance and business courses) remain the most popular subject areas for MTS students; approximately 158 applications were made and 60% were successful. There were significantly higher success rates in areas such as Chemistry (77% success rate) and Geography (76%).

Over 90% of applications to the universities of York (96% of 25 applications), Exeter (95% of 22), Southampton (92% of 24) and Birmingham (90% of 30) were successful.

There was also success in applications to Oxford (4 offers from 23 applications), Cambridge (6 offers from 17) Imperial (5 from 15) and LSE (9 from 26).

4.3.3 Prep School Outcomes

29 pupils left Merchant Taylors' Prep School at the end of Year 8. 25 accepted places at Merchant Taylors' School; 1 accepted a place at St Paul's; 2 were offered places at St Margaret's, Bushey; and 1 a place at John Lyon.

Of those 29 pupils, Scholarships were awarded as follows: 3 Academic Scholarships and 5 Academic Exhibitions awarded in Y6 for Merchant Taylors'; 1 Academic Scholarship for St Paul's awarded in Y8; 1 Sports Scholarship and 2 Sports Performances Pathways for Merchant Taylors' awarded in Y8; 2 Design & Technology Scholarships for Merchant Taylors' awarded in Y8; 1 Art Scholarship for Merchant Taylors' awarded in Y8; 1 Drama Scholarship for Merchant Taylors' awarded in Y8.

4.3.4 Sport

The breadth of the MTS sports offering continues to expand, with sports such as Badminton and Basketball growing in popularity. The Basketball Team joined a local league this season. Squash, Golf, Tennis, Cross-country and Football have all competed against other schools, with our golfers reaching the National Finals at Woodhall Spa. Our outdoor education programme has included sailing, rowing, climbing, shooting, stand up paddle boarding, kayaking and mountain biking, ensuring that every boy has an activity that they can pursue.

Operational performance review 2022-2023 (continued)

Our core sports excelled this year, with Rugby teams enjoying a 67% win ratio over the course of the season. This resulted in the fixture programme being strengthened for 2023-24 through the addition of RGS High Wycombe and Bishop's Stortford among others. Rugby Week was a high profile success, underlining the continued popularity of the sport. Implementation of the RFU's new tackle height rules and our continued partnership with concussion specialists, Return2Play, leaves us well placed to play the game safely and competitively next season and beyond.

Our Hockey outreach programme has grown this year to widen access to disadvantaged children. The boys have taken a lead on coaching, which has developed their leadership characteristics in particular. On the hockey pitch, we played some excellent matches with strong participation at all ages and levels from A to E teams. Our relationship with Old Merchant Taylors' Hockey continues to grow and planned improvements in facilities and coaching staff will allow Hockey to develop further.

In Cricket, almost every year group reached the final stages of their cup competitions, a great achievement, given the strong competitive standard within our region. The 1st XI reached the quarter finals of the national T20 and were one game away from Finals' Day at Arundel Castle. We have a number of players representing local counties, with two senior players representing Middlesex 2nd XI this season. The strong relationship between the School and Middlesex Country Cricket Club will be enhanced by the completion of the new indoor cricket centre, which is due to open in January 2024.

At the Prep School, following the disruption of Covid and the re-introduction of the competitive calendar, we improved our major sports programme for the 2022-2023 season. By switching our Rugby and Football terms and increasing to two terms of hockey, we have increased the development opportunities and quality of fixtures alongside the Senior School to pursue our shared vision of a seamless sporting journey from 3-18. This has also benefited the summer cricket programme, with increasing interest from other schools to establish fixtures and new relationships.

Tours and Visits were re-instated in Spring 2023. Fully inclusive tours reached Manchester City (Football Tour) and the Italian Dolomites (Ski Visit). Our water sports programme developed with further use of the MTS Watersports Centre, whilst our Year 8 pupils continued their development at the Bray Lake Water Sports Centre in Windsor.

4.3.5 Music

2022-23 was another successful academic year for Music at the Prep School with record numbers taking instrumental or singing lessons (131 pupils, or 51% of eligible pupils). Our four choirs and five instrumental ensembles were well supported (119 pupils, or 46% of eligible pupils), spurred on by strong uptake for our Year 1 Orchestral Instruments Programme (33 pupils for September 2023, or 85% of eligible pupils), which has increased participation in music from a younger age.

At the Senior School, an exciting and wide-ranging programme of concerts and events continued throughout the 2022-23 academic year, and grew to include a Carol Service and Christmas Concert; the House Music Competition; the introduction of termly ABRSM Candidates' Recitals for pupils sitting music examinations (in which our boys achieved very pleasing results over three sessions); and an appearance at the Lord Mayor's Show to celebrate the appointment of Nicholas Lyons (a member of the Merchant Taylors' Company) as Lord Mayor of London. Other highlights included our annual Spring and Summer Concerts, Merchant Taylors' Young Musician of the Year Competition, Merchant Taylors' Hall Concert, Joint Concert with MTS, St Helen's and St John's Schools, and participation in the MTS Prep Schools' Orchestral Concert.

The Department increased the range of ensembles that rehearse on a weekly basis to 18 in 2022-2023 to offer musical opportunities to a wider spectrum of mixed age-group musicians premised upon musical ability. The practice of having the Chamber Choir sing at two Choral Evensongs was repeated in the Summer Term, one at Portsmouth Cathedral and one at St Catherine's College, Cambridge; a new MTS musical tradition has now been established.

In addition to the regular schedule of concerts, Fame! The Musical was produced in collaboration with the Drama Department (involving pupils from St Helen's School). The Chamber Choir sang at Vernon's Service, the Thomas White Singers at Doctors' Dinner, a music afternoon was held for pupils from St Martin's Prep, and a service of thanksgiving marked 90 years at Sandy Lodge, to which a number of OMTs were invited.

Operational performance review 2022-2023 (continued)

The Music Department provided further musical opportunities during 2022-2023, including a Field Day trip to visit the Royal College of Music, A Level Music trips to St Martin-in-the-Fields and the Royal Festival Hall, a Gamelan workshop for all the 3rd Formers, Music Scholars' trips to see the Lion King Musical, organ recitals in which pupils performed in churches at Aldenham and Bushey, and the participation of a 4th Form pupil in a Strings Masterclass with Tasmin Little. For the first time since Covid, our Choirs toured Spain and France. Our Director of Music organised two "Leading Notes" holiday Chamber Music Courses at MTS (one during the October half term; the other during the Easter holiday). The 3-day non- residential courses were available to students from MTS and local schools, offering high quality tuition for advanced and developing string players to explore chamber music, and to enjoy music at MTS.

4.3.6 Drama

A memorable season in the Lalani New Barn Theatre at MTP began with an entertaining twist as our in-house staff penned a new Pre-Prep Nativity. The Year 3 and 4 musical production of 'Hoodwinked' followed in February, with our younger boys relishing the opportunity to portray Robin Hood and his Merry Men. The Spring Term included Year 6's pulsating adaptation of the classic coming-of-age novel 'Emil and the Detectives' by Erich Kästner. Meanwhile, Year 5 spent the Spring Term exploring the physical demands of mask technique.

In March 2023 MTP received an Artsmark Gold Award from the Arts Council of England in recognition of our commitment to building young people's confidence, character and resilience through arts and cultural education. MTP joined forces with Trestle Theatre Company to help design a brand-new set of half masks aimed solely at younger children. Trestle Theatre Company have visited MTP three times to offer Y4-Y6 half-mask workshops to develop their prototype mask ideas, which we will continue to offer to local primary schools.

Finally, the Year 8 leavers' production in June was the stage adaptation of 'Around the World in Eighty Days' by Jules Verne. The end of the Summer Term saw the final cohort of Year 7 LAMDA candidates undertake their Grade 3 Communication exams in 'The Speaking of Verse and Prose'. In addition to enhancing their public confidence and self-esteem, the pupils' hard work and talent was rewarded with 27 Distinctions and 4 Merits. One Year 8 pupil was awarded a Drama Scholarship to Merchant Taylors' School.

At the Senior School, the year began with three spectacular performances of the Joint Musical, Fame in the Great Hall. Around fifty students from MTS and St Helen's were involved, with over 1000 audience members. In the Spring Term, a large cast and crew of Lower School boys brought William Golding's Lord of the Flies to life. Boys across the school enjoyed the Duologues Competition, Devising workshops with Frantic Assembly, a private backstage tour of the National Theatre, performance/technical clubs and a range of exciting theatre visits. There was further success for MTS boys gaining places in the prestigious National Youth Theatre and one of the A Level Theatre Studies boys was offered a place to study Lighting Design at the Royal Central School of Speech and Drama.

4.3.7 Outdoor Education and Extra-Curricular

The MTS Outdoor Education Department provided opportunities for the boys to participate in adventurous pursuits beyond the traditional sports options. During the School timetable, boys participated in rowing, sailing, kayaking, canoeing, stand-up paddleboarding, archery, rifle shooting, and mountain biking. Merchant Taylors' School Rifle Club was re-accredited by the Home Office as a registered National Small-bore Rifle Association (NSRA) club.

Regular white water kayaking trips ran over the weekends. During the school holidays, week-long school trips included a surfing trip to Fuerteventura, a ski racing and general ski trip to Sestriere, and a residential white water kayak week in Snowdonia.

Outreach by the Department included Stand-Up Paddleboarding (SUP) sessions for Boarding pupils at the Royal Masonic School for Girls, SUP training for Northwood College PE Department, Outdoor Education Days for Merchant Taylors' Prep School, and Bushcraft and orienteering sessions for Maple Cross School. The South Oxhey Sea Scouts continued to use the Watersports Centre during their evening sessions after school.

Operational performance review 2022-2023 (continued)

The Duke of Edinburgh Award programme allowed 80 participants to complete their Bronze level, and 20 boys embarked on their Gold Award, with all completing their Expedition section. Bronze participants walked and camped in the Chilterns for two days; Gold participants trained in the Brecon Beacons and completed their qualifying expedition in Snowdonia for five days. MTS DofE participants contributed 871 hours of volunteering to their local community with a Social Value of £4,188.

The Combined Cadet Force (CCF), at MTS, has continued to deliver weekly training on Fridays with students from St Helen's joining MTS cadets. Cadets attended a week-long adventure training summer camp in Bala, North Wales. Cadets regularly undertake static-line parachute jumps at Netheravon, with 30 cadets jumping during the year. 27 cadets flew Grob Tutor planes on Air Experience Days at RAF Benson. 7 cadets enjoyed a Gliding experience at RAF Kenley. 10 Royal Navy cadets gained their RYA Level 2 Powerboat certificate, whilst others attended an off-shore sailing weekend on the Isle of Wight.

On ANZAC Day, the Contingent was invited to form a Guard of Honour at St Paul's Cathedral for the Gallipoli Association, and then paraded at the Cenotaph, representing Cadet Forces. A squad of Royal Navy cadets supported HMS Wildfire, the local Royal Navy Reserve unit based at Northwood HQ, during their annual Ceremonial Divisions. The Contingent Commander conducted leadership and teamwork training for HMS Wildfire on the lake and within the school grounds. The Royal Navy section officers supported Harrow School's CCF Navy section with an afloat training day on the lake.

The CCF command team were invited by London North West University Healthcare (LNWUH) NHS Trust to represent the Armed Forces, alongside local military Reserve units, on Remembrance Day at Northwick Park Hospital. The Contingent Commander hosted a London-wide CCF and Army community cadets CyberFirst Adventurers course for 20 cadets and 15 adult instructors.

4.3.8 Alumni Relations

Alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School, and supported the career development of both OMTs and current pupils. A broad range of events, both online and in person, aims to cater to the interests of all alumni. Events are held at School, at various locations around the UK and overseas. A communications programme, including an annual magazine and termly e-newsletters, runs alongside our events programme to keep our community up to date on all the activities the school offers.

4.3.9 Fundraising

The School seeks philanthropic funding from a variety of constituencies including: alumni; parents of school pupils; parents of alumni; friends of the School; corporates; and charitable trusts & foundations. Our approach to each constituency is considered and personal. We act in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and are committed to meeting high fundraising standards. The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community, with a particular focus in 2022-23 on raising funds for an Indoor Cricket Centre, set to open in early-2024.

4.3.10 Infrastructure

The School continued to invest in infrastructure during the year in order to maintain and improve educational facilities. At the Senior School, the infrastructure programme was dominated by construction of the Julian Hill Indoor Cricket Centre, which is due to open in January 2024. This £4.7m project was managed by Sports Clubhouses Ltd. and built by Boom Construction Ltd. The centre will meet the highest professional standards of the England Cricket Board and provide 5 lanes with surfaces optimised for spin, match play and fast bowling, supported by changing facilities and a viewing gallery. The balcony overlooks one of the hockey pitches, which was resurfaced this year. The project costs have been covered entirely by the School and its donors but the facility will be open to the community outside school hours. Once the operating costs and contribution towards capital costs have been covered, surplus lettings income will contribute towards bursaries to support boys whose families would otherwise be unable to afford the fees.

Operational performance review 2022-2023 (continued)

Other investments included upgrades to boilers and electrics; new built-in storage (with appropriate electrical feeds and charging points) for pupil iPADs and new storage in the Reception dining area. Internal and external decoration continued, including timber repairs to listed barns at MTP.

At the Prep School, cyclic classroom refurbishments continued with five classrooms (English, Classics, History and Geography). At the Manor of the Rose the bathroom facilities and the Manor kitchen were upgraded, which included significant electrical upgrades.

During the MTS summer works programme, the refurbishment of changing rooms began and will continue next year. Cyclic classroom refurbishment continued with Maths and the CCF and single glazed Crittal windows were replaced with double glazed units to improve energy efficiency. The Great Hall Roof gutters were repaired and boilers were upgraded across the school. Drama studio lighting was upgraded and the Counsellors rooms and Prayer Rooms were refurbished.

4.4 Public benefit and outreach

Public benefit has been integral to the School's ethos since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit in deciding which activities the School should undertake. In the year under review, we continued to make a full contribution to the academic community across UK society, its schools and universities. As part of this contribution, 25 teaching and support staff served as governors of local schools and others support the community as Scout Leaders, Parish Councillors and other local charitable endeavours.

As part of MTP's outreach, minibus support was provided to a local primary school so that their pupils could access regular Forest School sessions. MTP hosted over 30 teachers from local primary schools and nurseries for speech and language training to help children whose speech was adversely affected by previous lockdowns. Six teachers from MTP are governors at local primary schools, providing educational expertise and creating important links with these schools.

At MTP, over £2,000 was raised by the school community for a range of charities including: the Marie Curie Daffodil Appeal; Comic Relief; and the Merchant Taylors' Foundation. Donations were collected for the Children's Book Project and the Watford Foodbank as part of our Harvest Festival and Coronation Celebration, and socks and chocolates were collected to support the New Hope Haven's work with local homeless people. In addition, MTP supported the Movember Foundation, through our Bow-vember campaign whereby younger pupils wear a bow tie to school if they cannot grow a moustache, and the Royal British Legion for the poppy campaign. A Sleepout event recognised the urgent issue of homelessness, with over 75 students and teachers sleeping outdoors to raise awareness. The event was a powerful reminder of the importance of empathy and solidarity as we contributed to the local charity New Hope in their mission to address this pressing issue.

At the Senior School, a dedicated team of nine musicians embarked on a challenge to play music continuously for an entire 24-hour period. Whilst achieving this musical feat they also managed to raise substantial funds for the Merchant Taylors' Phab week. In November the school corridors were transformed into a festive hub of activity for the annual Christmas Bazaar. All funds raised were directed towards Hertfordshire Young Minds, a local charity dedicated to promoting positive mental health and well-being. Further funds were raised during non-uniform days and the sale of Krispy Cremes.

Several male staff and year 13 students participated in the Movember event, which involved growing moustaches to raise money for charity. A Coronation Fair in the Inner Quad proved to be an enjoyable experience, including Sponge the Teacher, a Coconut Shy, and a punch board. A coin race raised money for the Disaster Emergency Fund and a Food Drive provided items to support a local food bank.

The year ended with the annual charity week, which reflected the School's unwavering commitment to community engagement and the social responsibility among its students. The diverse array of activities and events organised throughout the year, not only enriched the lives of our students and teachers, but also made a tangible, positive impact on our local communities.

Operational performance review 2022-2023 (continued)

Merchant Taylors' Phab Week celebrated its 51st anniversary in the 2022-23 academic year. After bouncing back from the pandemic successfully, twenty students and seven staff raised funds for a residential week at the Pioneer Centre, Shropshire, in August 2023. Ten different events took place during the year, including whole school own clothes days, Friday night lights during Rugby Week, a sponsored marathon walk into central London, as well as a successful Phab Revue. We continue to receive strong support from Old Boys, including Eddie White, who ran the Leeds Marathon for MTS Phab, raising over £600 from his fellow Leeds University Students. With generous support from students, staff, parents and the wider OMT community, the Phab Week team has fundraised over £21,000 during the 2022-23 academic year. This ensured that from 19 – 22 August, 11 families received respite, whilst 20 MTS students provided round the clock care for 11 young people who experience a range of mental and physical disabilities. None of this would be possible without the philanthropic support of the whole MTS community.

Community access to facilities

Governors maintained their support to the local community by providing weekly access to over 2,500 members of the public from over 60 local sporting and social organisations of all age groups. Support to local primary Schools continued, including St Mary's School in Rickmansworth, who visited weekly for swimming lessons followed by lunch. Community use was enjoyed by Activate Sports, Vernon School of Cricket, Maximum Performances, The Hive, Sparks Arts, Flippers Swim School (Crash Course) and Future Star Education (Young Engineers). The School facilitated holiday activities for local children, utilising School sports pitches, the swimming pool, grounds and classrooms.

120 South Oxhey Sea Scouts benefitted from the MTS Lake and surrounding area for scouting activities on Friday evenings and others were able to attend PADI Courses using the pool and the lake. Rickmansworth & Watford Sea Cadets were supported with swimming pool time to teach and train cadets in kayaks. The Rickmansworth Fire Department used the lake for training days with their fire crews.

Athletics clubs including Chiltern Harriers and Watford Joggers trained on the athletics track. Reddiford School used the sports grounds for their PE lessons and afternoon games sessions, which included athletics, cricket, and rounders.

London Hockey continued to use the School during practice sessions and competitive matches against other counties. As a regional High-Performance Centre for England Hockey, the School hosted training evenings and weekend competitions for local children of various age groups.

The strong partnership with Middlesex County Cricket Club continued with a full summer programme including Youth cricket, the Men's 1st & 2nd XI team fixtures and the Middlesex Ladies 1st XI Team training and T20 fixtures.

The School continued to support the MoD as a helicopter landing site to support visits to the Northwood Base and the provision of a running track to support individual fitness tests. HMS Wildfire, the local Royal Navy Reserve unit, held their Annual Ceremonial Dinner at the OMT Clubhouse.

In partnership with Moor Park (1958) Ltd., the School hosted the Moor Park 10k and Fun Run, which raised a record breaking £61k for the local Mount Vernon Cancer Centre. This annual chip-timed closed road event was the biggest Annual Fundraiser for the Centre. The School was also used by the UK film industry during two weeks of filming during the holidays.

4.5 Financial review

During the year under review, the School's incoming resources were £29.4m (2022: £26.8m) and total charitable expenditure was £26.4m (2022: £24.6m), generating a surplus of £2.7m (2022: £1.9m). The principal source of income was School fees, which accounted for £26.9m (91%), (2022: £25.2m (94%)). £1.0m (2022: £0.4m) was raised through the Development Office for bursaries and School development, with £0.3m cost of raising funds (2022: £0.3m).

During the year, the School's expenditure on scholarships and bursaries was £2.3m (2022: £2m). Capital expenditure of £4.0m (2022: £1.5m) and revenue expenditure of £0.7m (2022: £0.7m) were invested in the School infrastructure. At MTS, this included the Julian Hill Indoor Cricket Centre, classroom and changing room refurbishment, roof works and replacement of boilers and lighting, alongside cyclic replacement of IT equipment. At MTP, classrooms, kitchen and bathroom facilities were refurbished, alongside upgrades to boilers and electrics.

Operational performance review 2022-2023 (continued)

4.6 Reserves policy

The reserves policy and its calculation are monitored by the Finance Committee and updated annually. Future development plans will be funded by a combination of cash flow, fundraising and borrowing.

Total reserves as at 31 August 2023 were £46.7m (2022: £44.2m), of which £1.2m relates to Restricted funds (2022: £2.2m) and £2.0m to the Endowment Fund (2022: £1.8m). Unrestricted reserves totalled £43.5m (2022: £40.1m), of which £8.9m (2022: £9.2m) was designated for specific purposes, as outlined in Note 15 to the accounts.

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £6m). On 31 August 2023, free unrestricted reserves were £7.4m (2022: £7.6m). These are defined as unrestricted funds and expendable endowment that is available at the discretion of Governors, less fixed assets, adding back any outstanding loans, but includes investments available for conversion into cash.

4.7 Risk Management

Governors have established an effective risk management framework, which has been updated throughout the year in response to political, economic, social, technological, legal and environmental developments.

The Risk Management Committee, drawn from across the School, has reviewed emerging risks and updated the School's Risk Register, in order to identify the likelihood and impact of foreseeable risks to the School's operations. As the Governor responsible for Risk Management, Alan Eastwood has attended regular meetings and ensured that the Governing Body has been updated when required. The Risk Register is scrutinised by the School's Finance Committee annually, before the key strategic risks are reviewed by Governors.

The key risks and vulnerabilities identified during this period were: Political risk, Financial risk, Fire, Cyber-security, and Safeguarding. Governors have applied a range of measures to manage and mitigate these risks.

Governors continue to monitor the emerging political risks, which may lead to VAT on school fees and the removal of charitable relief on business rates. In response to economic pressure and to manage the impact of inflation, the School has scrutinised expenditure and reduced operating costs where possible to control fee increases. This work will continue in order to limit the financial impact on fee paying parents.

Fire risk assessments have been conducted across both the Senior and Prep Schools and will be updated in August 2024. Action plans will be monitored to address all observations raised without delay.

The IT Team work closely with external specialists to manage the School's information systems and address the inherent Cyber-security Risk. Active threat detection systems are in place and cyber-security measures are continually updated in line with best industry practice.

The School continues to implement the Safer Recruiting Action Plan to ensure that all appointments comply with Keeping Children Safe in Education and meet the ISI regulatory requirements. The Single Central Register and associated personnel files are scrutinised every term by the Safeguarding Governor to ensure compliance.

4.8 Remuneration policy

The MTS Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the School Leadership Team. The Remuneration Committee considers the external environmental factors, which influence recruiting and retention, alongside other relevant issues. These include reference to independent benchmarking surveys, including Haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are presented to the main Governing Body for consideration and endorsement, before being implemented, usually from the following September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles.

Operational performance review 2022-2023 (continued)

4.9 Investment policy

The MTS Investment Committee, chaired by Richard Newall (James Twining with effect from 22 November 2023), oversees the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the asset allocation adopted is reviewed in the light of external events and adjusted, as necessary. This continues to be a volatile period for the markets, but the Investment Committee has worked with Rathbones to protect the long term capital value of the School's endowment funds from inflation and market volatility, whilst building designated and endowment funds to support future bursary awards and other commitments.

4.10 Future plans

Merchant Taylors' School aims to be the independent day school of choice for boys aged 3-18 in the North West London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will derive lifelong benefit from the all-round education offered;
- ensure that an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;
- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;
- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;
- be mindful of our historic charitable foundation and promote wider public benefit in our activities;
- remain a competitive fee-paying school in the independent sector; and
- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School.

4.11 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the wellbeing, safeguarding and educational needs of the boys and staff foremost as well as providing support in the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries; capital expenditure management and possible future changes to fiscal policy.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in this Strategic report, which can be found at section 4.1 - 4.8. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.7 of the Strategic report.

Operational performance review 2022-2023 (continued)

Our environmental, social and governance practices are described in section 4.4 (Public benefit and outreach) and the extent of bursary support for pupils whose families are unable to pay the school fees are primarily set out at section 4.5 (Financial review). For the third year, Merchant Taylors' School is reporting key energy and carbon usage information and this can be found below in section 4.13 (Environmental performance).

4.12 Environmental Performance

MTS SECR Reporting Period: September 2022 – September 2023			**2023**	**2022**
Energy Source	**Consumption**	**Scope**	**Emissions calculation (t COe)**	**Emissions calculation (t COe)**
Gas – total kWh (kilowatt-hours) from gas bills	2,589,528 kWh (gross CV (calorific value))	Scope 1	**466**	578
Transport – Mini-bus	23,395 miles	Scope 1	**8.25**	8.64
Diesel (100% mineral diesel)	8,900 litres	Scope 1	**23.67**	48
Propane – Total Litres	2,406 litres	Scope 1	**3.70**	6.55
Electricity – total kWh electricity bills for the school	1,200,624 kWh	Scope 2	**249**	273
Business travel (average car)	1077 miles	Scope 3	**0.18**	0.18
Business travel land (taxi)	3289 km	Scope 3	**0.29**	0.17
Business travel land (rail)	963 km	Scope 3	**0.03**	0.03
Business travel (air)	488 km	Scope 3	**0.13**	0
Hotel Stay	0 kg CO2e	Scope 3	**0**	0
Water Supply	29,114 m3	Scope 3	**5.2**	3.9
Water Treatment	214,330 m3	Scope 3	**4.7**	5.83
Waste Disposal - Metal	1.5 tonnes	Scope 3	**31.9**	11.7
Waste Disposal - WEEE Mixed	0.45 tonnes	Scope 3	**9.57**	10.64
Waste disposal - Batteries	0.02 tonnes	Scope 3	**0.42**	3.19
Waste Disposal - Paper and board: mixed	2.98 tonnes	Scope 3	**63**	49
Waste Disposal - Glass	5.39 tonnes	Scope 3	**115**	46
Waste Disposal - Refuse/ Commercial and industrial waste	35.75 tonnes	Scope 3	**761**	973
Waste Disposal - Paper	0 tonnes	Scope 3	**0**	92
Total			**1,742**	2,110
Intensity ratio	Emissions data (tCO2e) per pupil &FTE		**1.4t CO2e per pupil & FTE**	1.8t CO2E per pupil & FTE

Operational performance review 2022-2023 (continued)

4.13 Environmental Performance (continued)

MTP SECR Reporting Period: September 2022 – September 2023 Energy Source	Consumption	Scope	2023 Emissions calculation (t COe)	2022 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	378,945 kWh (gross CV calorific value)	Scope 1	**68**	85
Transport – Mini-bus	8,241 miles	Scope 1	**2.80**	2.67
Electricity – total kWh used for the year, taken from the electricity bills for the school	223,351 kWh	Scope 2	**46**	39
Water Supply	3,166 m3	Scope 3	**0.41**	0.62
Water Treatment	3,104 m3	Scope 3	**0.30**	0.62
Waste Disposal – Refuse/Commercial and industrial waste	19 tonnes	Scope 3	**411**	830
Waste Disposal - Paper and board: mixed	5.5 tonnes		**117**	32
Waste Disposal - Metal	1.3 tonnes		**1.28**	0
Total			**647**	989
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		**1.42t CO2e per pupil & FTE**	2.17t CO2e per pupil & FTE

Quantification and Reporting Methodology

This methodology follows the 2019 HM Government Environmental Reporting Guidelines. We have also used SECR Reporting Protocol and applied the 2023 Government Emission Conversion Factors for Company Reporting. We have adopted the recommended intensity measurement for the sector, which is total gross emissions in metric tonnes CO2e per staff and pupil.

- Scope 1 refers to direct business greenhouse gas emissions generated including from furnaces or heating equipment;
- Scope 2 covers indirect emissions from electricity, which a firm needs, but which come from sources not under the control of the school including power stations; and
- Scope 3 covers emissions (not classed as Scope 2) that are a consequence of our actions, but are not under the control of the school. This methodology follows the SECR Reporting Protocol and uses the 2021 Government Emission Conversion Factors for Greenhouse Gas Company Reporting.

Measures Taken to Improve Energy Efficiency

The School introduced an environmental campaign (Using Less @ MTS) to reduce carbon emissions through staff and student engagement. Aging boiler plant has been replaced and Air Source Heat Pumps have been installed where appropriate. Stand-alone boilers have been removed to maximise the efficiency of the district heating plant. Building Management Systems have been introduced to improve control over electric, gas and water consumption. We continue to invest in LED lighting and a Contractor has been instructed to install solar panels on the Sports Hall roof.

4.14 Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) he / she has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

4.15 Disability statement

The School continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The School provides equal opportunities to all staff on the basis of objective criteria and personal merit.

4.16 Auditors

Saffery LLP, Chartered Accountants, have indicated their willingness to continue in office.

By order of the Board

D G M Eggar
Chairman
Date 28 February 2024

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2023 which comprise statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's state of affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 19, the trustees (who are also 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Auditor's responsibilities for the audit of the financial statements (continued)

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

http://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.

Cara Turtington (Senior Statutory Auditor) for and on behalf of Saffery LLP

Chartered Accountants

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 28 February 2024

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

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2023

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2023	2022
Income from:		£	£	£	£	£	£
Charitable activities							
School Fees	2	26,923,971	-	-	-	**26,923,971**	*25,242,337*
Registration/Admissions Fees	3	123,702	-	-	-	**123,702**	*130,587*
Other charitable activities							
Other ancillary income - Insurance	3	753	-	-	-	**753**	*7,935*
Other ancillary income - Rents Received	3	256,512	-	-	-	**256,512**	*240,815*
Other	3	142,697	-	-	-	**142,697**	*166,464*
Other trading activities							
Donation from MTSEL	7	156,588	-	-	-	**156,588**	*188,975*
Profit on sale of assets		9,361	-	-	-	**9,361**	-
Investments	3	362,070	85,978	63,133	-	**511,181**	*129,062*
Donations & legacies							
Donations	3			277,425	-	**277,425**	*278,024*
Development Campaign Income	3	92,585		689,662	252,500	**1,034,747**	*423,657*
Total Income:		**28,068,239**	**85,978**	**1,030,220**	**252,500**	**29,436,937**	*26,807,856*
Expenditure on:							
Raising funds							
Alumni Relations and Development	5	256,143	-	2,000	7,331	**265,474**	*279,433*
Investment management		-	18,941	-	-	**18,941**	*20,707*
Financing costs		19,227	-	-	-	**19,227**	*19,393*
		275,370	**18,941**	**2,000**	**7,331**	**303,642**	*319,533*
Charitable Activities							
School and grant making		25,758,663	189,885	431,905	-	**26,380,453**	*24,578,034*
Loss on sale of Assets		37,150				**37,150**	
Total expenditure	5	**26,071,183**	**208,826**	**433,905**	**7,331**	**26,721,245**	*24,897,567*
Net income/(expenditure) before investment gains		1,997,056	(122,848)	596,315	245,169	2,715,692	*1,910,289*

Statement of financial activities (continued)
For the year ended 31 August 2023

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2023	2022
Net (loss) on investments		-	(174,616)	-	(76,475)	**(251,091)**	*(912,393)*
Net income		**1,997,056**	**(297,464)**	**596,315**	**168,694**	**2,464,601**	*997,896*
Transfers	8	1,687,309	6,999	(1,694,308)	-	-	-
Net movement in funds		**3,684,365**	**(290,465)**	**(1,097,993)**	**168,694**	**2,464,601**	*997,896*
Fund balances at 31 August 2022		30,938,845	9,211,377	2,282,550	1,804,503	**44,237,275**	*43,239,379*
Fund balances at 31 August 2023	14	**34,623,210**	**8,920,912**	**1,184,557**	**1,973,197**	**46,701,876**	*44,237,275*

Summary Income and Expenditure Account

	2023	2022
	£	£
Total Income	29,184,437	*26,807,856*
Total Expenditure	26,721,245	*24,897,568*
Unrealised/realised gains and (losses)	(174,616)	*(722,488)*
Net Income for the year	2,288,576	*1,187,800*

All amounts relate to continuing operations.

The notes on pages 27-42 form part of these financial statements.

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Balance sheet
For the year ended 31 August 2023

	Notes		2023		*2022*
Fixed assets		£	£	£	£
Tangible Fixed Assets	6		**35,856,666**		*33,550,891*
Investments	7		**6,864,667**		*6,733,087*
Current assets					
Stocks	9	**48,597**		*104,613*	
Debtors	10	**555,357**		*707,910*	
Cash		**9,680,920**		*8,842,859*	
		10,284,874		*9,655,382*	
Current liabilities					
Creditors: due within one year	11	**(5,552,437)**		*(4,893,276)*	
Net current assets			**4,732,437**		*4,762,106*
Total assets less current liabilities			**47,453,770**		*45,046,084*
Creditors: due after more than one year	12		**(751,894)**		*(808,809)*
Total net assets			**46,701,876**		*44,237,275*
Unrestricted funds	15		**43,544,122**		*40,150,222*
Restricted funds	16		**1,184,557**		*2,282,550*
Endowment	17		**1,973,197**		*1,804,503*
Total funds	14		**46,701,876**		*44,237,275*

The financial statements were approved by the Governors on 28 February 2024

and were signed on their behalf by

D G M Eggar
Director

R H E Newall
Director

Company Registration No. 3411540

The notes on pages 27-42 form part of these financial statements.

Cash flow statement
For the year ended 31 August 2023

	Notes	2023		2022	
		£	£	£	£
Net cash flows from operating activities	18		4,263,833		*4,004,385*
Cash flows from investing activities					
Investment income		511,181		*129,062*	
Purchase of FA		(3,559,750)		*(1,531,583)*	
Proceeds from sale of investments		1,131,893		*1,791,570*	
Purchase of investments		(1,718,925)		*(1,754,970)*	
Proceeds from sale		9,361			
Net cash in investing activities			3,626,240		*(1,365,921)*
Cash flows from financing activities					
Movement in final deposits		23,500		*8,200*	
Net cash used in financing activities			23,500		*8,200*
Change in cash and cash equivalents in the reporting period			661,093		*2,646,664*
Cash and equivalents b/f	19		9,068,911		*6,422,247*
Cash and equivalents c/f at 31 August	19		9,730,004		*9,068,911*

The notes on pages 27-42 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places and the School's projected cash flows, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements, as outlined in the Statement of Trustees' Responsibilities on page 18.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128 year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

1.3 Depreciation

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

Building and leasehold improvements	-	70% charged over 50 years, 30% charged over 20 years - the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	-	over 10 years or 20 years
Machinery and motor vehicles	-	over 4 years
Computer hardware	-	over 4 years

Depreciation is not charged on assets under construction or freehold land. Individual items costing less than £500 are written off as an expense, as acquired.

1.4 Current assets

Stocks consist of textbooks, tablets and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

1.5 Fees and similar income

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

Accounting policies (continued)

1.6 Donations, legacies, grants and other voluntary income

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.7 Investments and investment income

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

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

1.8 Expenditure

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings, either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.9 Pensions

The School's teaching staff are members of the Teachers' Pension Scheme (England and Wales) (TPS) operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is an unfunded multi-employer scheme governed by The Teachers' Pension Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme. From September 2021 an optional defined contribution pension scheme (APTIS) was also made available to the teaching staff.

The group personal pension plan (APTIS) for eligible support staff continued to operate during the year under review and is detailed in note 20. The associated pension contributions costs are charged to the Statement of Financial activities as incurred.

1.10 Rental income

Rental income is accounted for on a receivable basis.

1.11 Fund accounting

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:
(i) Permanent Endowed Funds:
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds.

Accounting policies (continued)

1.12 Operating leases

Rentals payable are charged on a time basis over the lease term.

1.13 Taxation

The School is a registered charity and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.14 Debtors

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

1.15 Cash at bank and in hand

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

1.16 Creditors

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

1.17 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Critical accounting judgement and estimates

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

Accruals are estimates as costs that will be incurred based on contractual requirements For depreciation, estimates are driven by the useful economic life of the associated assets.

For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School fees

	2023 £	2022 £
The School's fee income comprised:		
Gross Fees	28,757,194	26,808,834
Less: Total Bursaries, Grants and Allowances	(2,265,128)	(1,986,066)
	26,492,066	24,822,768
Add back: Scholarships, Grants and Allowances paid for by Restricted Funds held by: MT Co Charities Fund; MTET Endowment Fund; and Development Fundraising	431,905	419,569
	26,923,971	25,242,337

3. Other income

	2023 £	2022 £
Other educational charitable activities		
Registration Fees	101,102	108,087
Admission Fees	22,600	22,500
	123,702	130,587
Other ancillary activities		
Insurance	753	7,935
Rents Receivable	256,512	240,815
Deposits Forfeited, Fees In Lieu, Music Income and Other Misc Income	142,697	166,464
MTSEL donation	156,588	188,975
Profit on sale of asset	9,361	-
	565,911	604,189
Investment income		
Bank Interest	329,073	18,207
Investment Income	149,111	109,534
Interest on Late Fees	32,997	1,321
	511,181	129,062
Donations		
MT Company Donation	52,425	36,650
MT Co Prizes	-	9,000
Scholarship Income	-	7,374
MTET Endowment Fund	225,000	225,000
	277,425	278,024
Development Campaign Income	1,034,747	423,657
	1,312,172	701,681

4. Expenditure

	2023 £	2022 £
Support costs of schooling included:		
Auditors' renumeration for audit services	31,864	28,984
Auditors' renumeration for other services	-	-
	31,864	28,984
Total staff costs comprised:		
Wages and salaries	13,835,880	12,888,982
Social security costs	1,460,239	1,383,326
Pension contributions	2,718,762	2,551,441
Termination costs	20,796	11,327
	18,035,677	16,835,076

Employees

The average number of employees in the year was 374 (2022: 362) of which 151 (2022: 152) were teaching staff.

The number of higher paid employees was:	2023	2022
£60,001-£70,000	44	36
£70,001-£80,000	20	15
£80,001-£90,000	0	3
£90,001-£100,000	5	2
£110,001-£120,000	1	1
£120,001-£130,000	0	1
£130,001-£140,000	1	0
£210,001-£220,000	0	1
£220,001-£230,000	1	0

Sixty eight (2022:fifty five) of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme - employer contributions paid at the rate of 23.68% of salary) and four (2022:four) employees had benefits accruing in the Group Personal Pension Plan (with employer contribution paid at 15% (2022:15%) of salary.

The key management personnel of the School comprise the Headmaster, the Bursar and the Senior Leadership Team. Their combined contractual benefits totalled £1,699,497 (2022: £1,610,747).

Governors' remuneration

No Governor, nor persons connected with them, received any remuneration in the year ended 31 August 2023 (2022:Nil) and Governors are not included in the number of persons employed given above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2023 £
Raising funds				
Financing costs / bank interest	-	19,227	-	19,227
Investment management	-	18,941	-	18,941
Development office (unrestricted)	212,781	50,693	-	263,474
	212,781	88,861	-	301,642
Charitable activities				
Teaching	13,859,917	2,019,780	-	15,879,697
Welfare	868,343	642,132	-	1,510,475
Premises	1,194,432	3,555,534	909,446	5,659,412
Support Costs of schooling	1,900,204	204,167	641,858	2,746,229
School's operating costs	17,822,896	6,421,613	1,551,304	25,795,813
Bursaries paid for by Restricted Funds	-	431,905	-	431,905
Development Campaign Restricted	-	2,000	-	2,000
OMT Sports facilities	-	-	189,885	189,885
	-	433,905	189,885	623,790
Total Expenditure	**18,035,677**	**6,944,379**	**1,741,189**	**26,721,245**

Analysis of total expenditure - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2022 £
Raising funds				
Financing costs / bank interest	-	19,393	-	19,393
Investment management	-	20,707	-	20,707
Development office (unrestricted)	203,636	69,408	-	273,044
	203,636	109,508	-	313,144
Charitable activities				
Teaching	13,025,695	1,884,959	-	14,910,654
Welfare	775,405	538,283	-	1,313,688
Premises	1,087,003	3,195,464	908,400	5,190,867
Support Costs of schooling	1,743,337	269,646	540,389	2,553,372
School's operating costs	16,631,440	5,888,352	1,448,789	23,968,581
Bursaries paid for by Restricted Funds	-	419,569	-	419,569
Development Campaign Restricted	-	6,389	-	6,389
OMT Sports facilities	-	-	189,884	189,884
	-	425,958	189,884	615,842
Total Expenditure	16,835,076	6,423,818	1,638,673	24,897,567

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2023
	£	£	£	£
Costs or revaluations				
1 September 2022	45,649,121	26,995	9,300,002	54,976,118
Additions	-	2,967,670	1,116,445	4,084,115
Transfers	-	-	-	-
Disposal	(33,866)	-	(6,430)	(40,296)
31 August 2023	**45,615,255**	**2,994,665**	**10,410,017**	**59,019,937**
Depreciation				
1 September 2022	14,925,163	-	6,500,064	21,425,227
Charge for current year	1,099,331	-	641,858	1,741,189
Disposal	-	-	(3,145)	(3,145)
31 August 2023	**16,024,494**	**-**	**7,138,777**	**23,163,271**
Net book value				
31 August 2023	**29,590,761**	**2,994,665**	**3,271,240**	**35,856,666**
31 August 2022	**30,723,958**	**26,995**	**2,799,938**	**33,550,891**

Of the total net book value of land and buildings included above, £8,087,944 is freehold (£2,900,000 land) and £21,502,817 is leasehold.

7. Investments

	2023	2022
	£	£
Investment in subsidiary	100	100
Quoted Investments	6,864,567	6,732,987
Fees In advance Investments	-	-
	6,864,667	6,733,087

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2023	2022
	£	£
Gross profit	404,710	391,502
Gross expenditure	(248,122)	(202,527)
Net surplus before donating to MTS	156,588	188,975

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2022:£100).

Investments at 31 August 2023 were:	Quoted Investments
	£
Fixed Interest	618,476
Overseas Bonds	143,716
Fixed Income	468,197
UK Equities	1,509,868
Overseas Developed	1,398,739
Overseas Developing Markets	364,371
Global Investments	1,374,842
Diversifiers	937,274
Cash	49,084
	6,864,567

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2023 £	2022 £
Housing Fund - Designated	6,999	6,999
Transfers to unrestricted	1,694,308	-
Bursary Fund - Designated	-	13,570
Bursary Fund - Restricted	-	98,483
Capital Fund – Restricted	(1,694,308)	
Endowed Funds	-	(112,053)
Net transfer to/(from) Funds	6,999	6,999

Bursary funds (which are found in notes 15, 16 and 17) are invested where the income is reinvested each year, rather than being distributed. The income is recognised in the statement of financial activities in the restricted or designated bursary fund (as appropriate), as available to fund bursaries. Consequently, transfers above have made between funds to recognise the reallocation of investments, and any gains and losses thereon. The transfer of funds this year has been in relation to a specific fundraising appeal and the capital work is completed and the restriction has been fulfilled.

Refer to Notes 15, 16 and 17 for further analysis.

9. Stocks

	2023 £	2022 £
Consumables (including textbooks)	15,269	18,623
Goods for resale	33,328	85,990
	48,597	104,613

10. Debtors

	2023 £	2022 £
Trade / Fee Debtors	66,613	55,084
Amounts owed from Related Undertakings (see Note 23)	159,762	203,753
Prepayments and accrued income	164,593	171,123
Other debtors	164,389	277,950
	555,357	707,910

11. Creditors: due within one year

	2023 £	2022 £
Amounts due to Related Undertakings (see Note 23)	-	-
Final term deposits	97,100	73,600
Trade creditors	864,285	700,389
Accruals	811,352	1,279,718
Exam deposits and Autumn term pre-payments	2,430,722	2,363,028
Other deferred income	1,150	1,150
Fees In Advance Scheme	202,942	109,142
Other creditors	1,144,886	366,249
	5,552,437	4,893,276

12. Creditors due after more than one year

	2023 £	2022 £
Final term deposits		
Within 1 to 2 years	76,400	78,300
Within 2 to 5 years	246,000	250,800
After 5 years	219,600	277,400
	542,000	606,500
Fees in Advance		
Within 1 to 2 years	123,121	161,309
Within 2 to 5 years	86,773	41,000
After 5 years	-	-
	209,894	202,309

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2022	311,451
New contracts	245,068
Discounts	2,076
	558,595
Amounts utilised in payment of fess	(145,858)
Balance as at 31 August 2023	412,737

14. Analysis of net assets

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	40,748,136	9,100,317	(5,552,437)	(751,894)	**43,544,122**
Restricted funds	-	1,184,557	-	-	**1,184,557**
Permanent endowment funds	1,497,844	-	-	-	**1,497,844**
Expendable endowment funds	475,353	-	-	-	**475,353**
Total	**42,721,333**	**10,284,874**	**(5,552,437)**	**(751,894)**	**46,701,876**

Analysis of net assets – previous year

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	38,479,475	7,372,832	(4,893,276)	(808,809)	**40,150,222**
Restricted funds	-	2,282,550	-	-	**2,282,550**
Permanent endowment fund	1,307,005	-	-	-	**1,307,005**
Expendable endowment fund	497,798	-	-	-	**497,798**
Total	**40,284,278**	**9,655,382**	**(4,893,276)**	**(808,809)**	**44,237,275**

15. Analysis of unrestricted funds

	Balance 2022 £	Income/Gains £	Expenditure £	Transfers £	Balance 2023 £
Undesignated					
General Reserves	30,940,149	28,068,239	(26,071,183)	1,687,309	**34,624,514**
Designated					
Housing Fund	75,454	-	-	6,999	**82,453**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	639,314	-	(31,206)	-	**608,108**
OMT Asset Fund	4,334,866	-	(189,885)	-	**4,144,981**
Durrants Fund	4,029,828	85,978	(162,351)	-	**3,953,455**
Fees In Advance Scheme	9,031	-	-	-	**9,031**
	9,210,073	85,978	(383,442)	6,999	**8,919,608**
Total	**40,150,222**	**28,154,217**	**(26,454,625)**	**1,694,308**	**43,544,122**

Refer to Note 8 for further information regarding transfers.

Analysis of unrestricted funds - previous year

	Balance 2021 £	Income/Gains £	Expenditure £	Transfers £	Balance 2022 £
Undesignated					
General Reserves	29,161,126	26,044,180	(24,258,158)	(6,999)	**30,940,149**
Designated					
Housing Fund	68,455	-	-	6,999	**75,454**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	625,744	-	-	13,570	**639,314**
OMT Asset Fund	4,524,750	-	(189,894)	-	**4,334,856**
Durrants Fund	4,573,283	66,830	(610,285)	-	**4,029,828**
Fees In Advance	11,706	185	(2,860)	-	**9,031**
	9,925,518	67,015	(803,039)	20,569	**9,210,073**
Total	**39,086,644**	**26,111,195**	**(25,061,187)**	**13,570**	**40,150,222**

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Pension Fund

Historically the designated Pension Fund had been set up to fund the School's share of the deficit in the Merchant Taylors' Company Pension Scheme. During 2013 the Trustees completed a buy-out with Aviva Plc. and the School entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund is being maintained with a view to meeting any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011, the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge in the accounts of £189,884 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities. Included within the Durrants Fund, is a revaluation reserve totalling £213,800 in relation to fixed asset investments.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2022	Incoming Resources	Resources Expended	Transfers	Balance 2023
	£	£	£	£	£
General Donations	115,629	340,558	(277,425)	-	**178,762**
Furlough Income	-	-	-	-	**-**
	115,629	340,558	(277,425)	-	**178,762**
Development Fund					
Bursary	881,079	134,546	(154,480)	-	**861,145**
Sports, arts and school campus	35,023	4,872	(2,000)	-	**37,895**
Capital projects	1,250,819	550,244	-	(1,694,308)	**106,755**
	2,166,921	689,662	(156,480)	(1,694,308)	**1,005,795**
Total	**2,282,550**	**1,030,220**	**(433,905)**	**(1,694,308)**	**1,184,557**

Refer to Note 8 for further information regarding transfers.

Analysis of restricted funds - previous year

	Balance 2021	Incoming Resources	Resources Expended	Transfers	Balance 2022
	£	£	£	£	£
General Donations	116,019	278,023	(278,413)	-	**115,629**
	116,019	278,023	(278,413)	-	**115,629**
Development Fund					
Bursary	842,614	209,639	(269,657)	98,483	**881,079**
Sports, arts and school campus	32,040	8,983	(6,000)	-	**35,023**
Capital projects	1,055,601	200,016	(4,798)	-	**1,250,819**
	1,930,255	418,638	(280,455)	98,483	**2,166,921**
Total	**2,046,274**	**696,661**	**(558,868)**	**98,483**	**2,282,550**

17. Analysis of endowed funds

	Balance 2022	Income/Gains	Expenditure	Transfers	Balance 2023
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,307,005	252,500	(61,661)	-	**1,497,844**
Expendable Endowment	497,498	-	(22,145)	-	**475,353**
Total	**1,804,503**	**252,500**	**(83,806)**	**-**	**1,973,197**

Refer to Note 8 for further information regarding transfers.

Analysis of endowed funds - previous year

	Balance 2021	Income/Gains	Expenditure	Transfers	Balance 2022
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,547,690	-	(124,462)	(116,223)	**1,307,005**
Expendable Endowment	558,771	-	(65,443)	4,170	**497,498**
Total	**2,106,461**	**-**	**(189,905)**	**(112,053)**	**1,804,503**

The Permanent Endowment was initiated in 2009 when the School launched its campaign for bursaries ("Forward To Our Roots"). The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2023	2022
Net income for the reporting period	**2,464,601**	*997,896*
Depreciation	**1,741,189**	*1,638,673*
Losses/(gains) on investments	**278,484**	*912,393*
(Investment income)	**(511,181)**	*(129,062)*
Increase in operating creditors and accruals	**54,381**	*1,019,880*
(Increase)/decrease in debtors	**152,554**	*(353,177)*
(Increase)/decrease in stock	**56,016**	*(82,218)*
Loss on sale of asset	**37,150**	-
Profit on sale of Asset	**(9,361)**	-
Net cash flow from operating activities	**4,263,833**	*4,004,385*

19. Net debt reconciliation

	At 1 September 2022	Cash Flows	Other non cash changes	At 31 August 2023
Cash and cash equivalents				
Cash at bank and in hand	8,842,859	838,061	-	9,680,920
Cash at investment managers	226,052	(176,968)	-	49,084
Total	**9,068,911**	**661,093**	**-**	**9,730,004**

Net debt reconciliation - previous year

	At 1 September 2021	Cash Flows	Other non cash changes	At 31 August 2022
Cash and cash equivalents				
Cash at bank and in hand	*6,321,623*	*2,521,236*	-	*8,842,859*
Cash at investment managers	*100,623*	*125,429*	-	*226,052*
Total	*6,422,246*	*2,646,665*	-	*9,068,911*

20. Pension costs

Teaching staff

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,097,339 (2022: £1,967,700) and at the year-end £196,585 (2022 - £186,080) 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.

Pension costs (continued)

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. As a result of this valuation the TPS employer contribution rate increased from 16.48% to 23.68% from September 2019.

The scheme was last subject to an actuarial valuation based on data as at 31 March 2020 in accordance with the updated version of the Directions. The outcome is that from April 2024 the employer contribution rate will increase to 28.6%

Support staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School, subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to 2023: £621,423 (2022:£583,741).

21. Capital commitments

Capital expenditure contracted but not provided for in the financial statements for the School, totalled £1.23 million (2022: £4.7m).

22. Other financial commitments

At 31 August 2023, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	**185,057**	*120,483*
Between 2 and 5 years	**750,843**	*472,281*
In *over* 5 years	**12,449,316**	*12,561,472*

23. Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

MTET approved the appointment of the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company. The balance outstanding from MTET at the year-end was £Nil (2022: £Nil).

23.2 Merchant Taylors' School Enterprises Limited (MTSEL)- Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The profit donated to the School was £155,588 (2022: £188,975). The balance outstanding from MTSEL at the year end was £160,490 (2022: £196,594).

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance receivable from Merchant Taylors' Company in respect of these services at the year end was 2023: £nil (2022: £nil).

The Merchant Taylors' Company owns the original land and buildings from which the School operates. The School currently has a 128 year lease from 16 March 2011, at a current annual rent of £112,156 (2022: £112,156) to be subject to review. No amount was outstanding at year end.

23.4 Merchant Taylors' School and St John's School, Northwood are connected by common administration. Some support staff of Merchant Taylors' School perform similar duties for St John's School. An annual management fee for this service is charged to St John's, which amounted to £80,000 (2022: £80,000) for the year ended 31 August 2022, and the balance due from St John's School was £246 (2022: £7,159) at the year end.

23.5 Governors do not receive any remuneration but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £2,144 (2022: £1,700) paid to three (2022: three) Governors.

The total amount of donations received from the Governors during the year was £6,104 paid by five Governors (2022: £1,475) (paid by three Governors), of which £5,804 was restricted to the indoor cricket centre (2022: £1,425).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, £28,001 was receivable from The Old Merchant Taylors' Society (2022: £1,345).

24. Comparative information

	Unrestricted			Permanent	2022
	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds
Notes					
Income from:	£	£	£	£	£
Charitable activities					
School Fees	25,242,337	-	-	-	**25,242,337**
Registration/Admissions Fees	130,587	-	-	-	**130,587**
Other charitable activities					
- Insurance	7,935	-	-	-	**7,935**
- Rents received	240,815	-	-	-	**240,815**
- Other	166,464	-	-	-	**166,464**
Other trading activities					
Donation from MTSEL	188,975	-	-	-	**188,975**
Investments	19,343	67,015	42,704	-	**129,062**
Donations & legacies					
Donations	-	-	278,024	-	**278,024**
Development Campaign Income	47,724	-	375,933	-	**423,657**
Total Income:	**26,044,180**	**67,015**	**696,661**	**-**	**26,807,856**
Expenditure on:					
Raising funds					
Alumni Relations and Development	273,044	-	6,389	-	**279,433**
Investment management	-	12,822	7,885	-	**20,707**
Financing costs	16,533	2,860	-	-	**19,393**
	289,577	**15,682**	**14,274**		**319,533**
Charitable Activities					
School and grant making	23,968,581	189,884	419,569	-	24,578,034
Total expenditure	**24,258,158**	**205,566**	**433,843**	**-**	**24,897,567**
Net income/(expenditure) before investment gains	**1,786,022**	**(138,551)**	**262,818**	**-**	**1,910,289**
Net loss on investments	-	**(597,463)**	(125,025)	(189,905)	(912,393)
Net income	**1,786,022**	**(736,014)**	**137,793**	**(189,805)**	**997,996**
Transfers	(6,999)	20,569	98,483	(112,053)	-
Net movement in funds	**1,779,023**	**(715,445)**	**236,276**	**(301,958)**	**997,896**
Fund balances at August 2021	29,159,822	9,926,822	2,046,274	2,106,461	43,239,379
Fund balances at August 2022	**30,938,845**	**9,211,377**	**2,282,500**	**1,804,503**	**44,237,275**

MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740



Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2022

Contents

	Page
Reference and administration	3
Governors' report (incorporating the Strategic Report)	4-17
Independent auditors' report	18-21
Statement of financial activities	22-23
Balance sheet	24
Cash flow statement	25
Notes to the financial statements	26-41

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Mr D G M Eggar (Chairman) Eur.Ing, C.Eng, MICE, BSc, FRSA
Miss P Barefoot, BSc (appointed 01/01/22)
Mr R J Brooman, MA, FCA
Dr J M Cox, BSc, PhD
Cdre A Cree, CBE Royal Navy
Mr G B M H du Parc Braham, MA, MPhil
Mr A Eastwood, BComm, ACA
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD
Mr A G Moss, FCA (retired 15/07/2022)
The Hon R H E Newall, PICAM, FCSI (appointed 01/09/21)
Mr J C Oram, BA (Hons), MSc, MRICS (appointed 02/09/2021)
Miss L Orr, M.A. (Oxon), M.St. (Oxon), Barrister-at-Law (Gray's Inn)
Mr V Paul, BA , MSc (appointed 01/09/21)
Mrs J K M Redman, LL.B (Hons)
Sir M Tomlinson, CBE, FRSA (retired 15/07/22)
Mr J D R Twining, BA, MA

Head Master	Mr S J Everson, MA	
Bursar and Company Secretary	Mr I D Williams BSc (Hons), MBA	
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website: www.mtsn.org.uk	
Registered numbers	Company registration number Charity registration number	3411540 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT	
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD	
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	

1. INTRODUCTION

The Governors of Merchant Taylors' School (the School) present their annual report and audited financial statements of the Charity for the year ended 31 August 2022. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The School was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and St John's School. On 1 August 1997, MTS was incorporated as a private company limited by guarantee and was registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School to form a combined Merchant Taylors' School, providing pupils with an opportunity of an all-through experience of education for boys aged 3-18.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 28 June 2018.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, Safeguarding training, an induction visit and an induction pack stating their responsibilities. Collective training and individual training is made available to Governors. The training includes access to conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year under the leadership of its Chairman, Duncan Eggar. Financial performance is monitored by the Finance Committee, chaired by The Hon. Richard Newall. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Risk and Health & Safety (Alan Eastwood), IT (James Twining). An Estates Working Group, chaired since 2 September 2021 by Jason Oram, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Deepak Haria, provides strategic direction for fundraising and alumni activities. In November 2022, a Nominations Committee was formed of four Governors, chaired by Duncan Eggar.

Executive day to day management of the School is delegated to the Head Master, Bursar and Head of Prep, supported by members of the School's Leadership Teams. The Clerk to the Governors coordinates the work of Governors and their Committees. All Trustees give freely of their time and no remuneration was paid during this period.

2.4 Group structure and relationships

The charity has a wholly owned non-charitable subsidiary, Merchant Taylors' School Enterprises limited where the main activity is the management of the School's facilities when not needed by the School. The School has close links with St John's Preparatory School in Northwood, by virtue of common control, mutual support and shared financial administration. St John's is a private company limited by guarantee and a separate registered charity, which can be contacted at Potter Street Hill, Northwood, Middlesex, HA6 3QY (www.st-johns.org.uk).

3 CHARITABLE OBJECTS AND AIMS

3.1 Charitable objects

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 Vision, purpose, values and aims

Merchant Taylors' School is a community forged from innovation, bravery, confidence, inspiration and joy. We inspire a life-long love of learning and provide academic excellence. We have a culture of collaboration, coaching and challenge. We are brave in our pursuit of excellence: progress is driven by innovation and reflection.

The co-curriculum supports and enriches the academic curriculum through sports clubs, societies, trips and publications. The School celebrates and explores the relationship between academic excellence and co-curricular participation and maintains the balance between promoting excellence and wide participation.

Merchant Taylors' School provides co-curricular opportunities to develop the character of everyone in the school – pupils, teaching staff and support staff. All aspire to become well-rounded, charming, confident, enthusiastic and independent. We work as a team, creating lasting bonds within our community.

People at Merchant Taylors' School care for each other in a civilised, collaborative and respectful manner. That spirit creates a safe, inspiring and inclusive environment that promotes self-esteem. Our focus is upon the individual and the community. Knowing and caring for everyone in the School, whether pupil, teaching or support staff, creates a place in which people feel they belong, have shared purpose and have a role to play. We use our strength to serve the wider community beyond the School. The School seeks to create an environment that is free from discrimination on any grounds, including colour, race, ethnicity, religion, gender, sexual orientation or disability.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means-tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are made available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through rigorous means testing. When required, further assistance is provided to meet additional expenses including activities, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances.

Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance.

During the year under review, the value of means tested bursaries totalled £933,377. They provided assistance to 69 pupils, of whom 15 benefitted from full fee remission. In addition, there are 166 pupils in receipt of scholarships based on educational merit and potential, totalling £692,296 and representing 2.7% of gross fee income. The performance of pupils receiving scholarships is reviewed annually to ensure that their progress remains in line with their abilities. No scholarships were withdrawn during the year as a result of this review.

4 STRATEGIC REPORT (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 6 to 17)

4.1 Principal activities of the year 2021-2022

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. Average pupil numbers remained slightly above the budget level throughout the period with 932 boys (2021: 926) at MTS and 368 boys (2021: 366) at MTP. The School continued to achieve high academic standards, whilst maintaining the outstanding level of pastoral care and co-curricular activities that underpinned all activities. The School continued to develop strong links with the local educational and wider communities.

4.2 Objectives for the year 2021-2022

The School Improvement Plan ("SIP") provides a relevant and effective framework for the School's strategic goals. The SIP is framed by five clear objectives for development:

- Developing links with local schools;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 Operational performance review 2021-2022

4.3.1 Academic

The major initiative in the school year was the introduction of Surface tablets to all the pupils in the Lower Sixth and Fourth Forms (National Curriculum Years 12 and 9), as part of a phased roll-out. The remote teaching and learning led to a rapid 'up-skilling' of students and staff and there was a keen appetite to see the introduction of the tablets. The tablets undoubtedly bolstered pupils' confidence with technology, facilitated teacher-led inspiration and also provided new avenues for teaching.

Alongside this major shift in pedagogy, staff training (not only in ICT, but also in broader innovative teaching methods) was a renewed focus for the year. A "training team" was established so that new and experienced colleagues could learn from each other's teaching. Increased numbers of PGCE students were taken on by the School, with continued support for Early Career Teachers. The ambition is to be a school which trains the next generation of expert teachers.

A Level & Pre-University

For the A Level/Pre-U cohorts this was their first set of public examinations and they performed strongly: 16% of the pupils achieved only A* grades, 9 boys received 4 A*s and 23 boys were awarded 3 or more A*s.

2020 and 2021 used different examination systems, nevertheless, 2022 was the most successful year in the school's recent history.

Table 1: A Level and Pre-U Results in overview (Cumulative percentages)

Result	A*	A	B	C	D	E
2022	**34.4**	**76.5**	**95**	**99.8**	**100**	**100**
2021 (TAGs)	58.71	86.45	96.99	99.57	100	100
2020 (CAGs)	42.12	80.18	95.95	99.32	100	100
2019	33.71	76.4	91.46	97.98	99.33	100
2018	29.24	70.09	92.41	98.44	99.33	99.78

TAGs - Teacher Assessed Grades
CAGs - Centre Assessed Grades

Operational performance review 2021-2022 (continued)

GCSE and IGCSE

The GCSE results were strong, despite the disruption in the preceding years.

Table 2: GCSE Results in overview (cumulative percentages)

RESULTS	9	9-8	9-7	9-6	9-5	9-4
2022	**50.6**	**77.5**	**93**	**98.4**	**99.9**	**100**
2021 (TAGs)	53	82	95	99	100	100
2020 (CAGs)	45	74	93	99	100	100
2019		66	88	97	100	100
2018		64	87	98	100	100

There were many superb individual performances; of 159 pupils in the year group:

- 43 students achieved 9 (the highest possible grade) in eight or more subjects;
- 90 pupils, or 57% of the entries, achieved 5 or more 9s;
- 141 pupils, or 87% of entries, were awarded 8 or more 7-9 grades;
- Every pupil in the year group took Maths.

4.3.2 University Admissions

The 2021-22 cohort received 495 University offers with 75% of the students heading off to Russell Group universities. This year, MTS students received 10% more offers to study medicine as compared to the previous cycle. Economics remained the most popular subject for MTS students at university. The most popular destinations for leavers (in order of popularity) this year were as follows: Nottingham, Warwick, UCL, Oxford, LSE, Bristol, and Edinburgh.

4.3.3 Prep School Outcomes

At MTP, 29 boys were offered places at MTS (including 3 academic scholarships and 5 academic exhibitions). The other destination schools of the leavers were: Harrow, Berkhamsted, St Margaret's, St Paul's, Westminster, and Winchester.

4.3.4 Sport

The lack of Covid-19 restrictions in the academic year of 2021-2022 enabled MTP to have a full fixture programme within the games curriculum and this was an opportunity to re-instate the systems and high standards of previous years. Fixtures took place in all major sports: Rugby, Hockey, Football and Cricket with many successes in all sports, including U13 cricketers retaining the Belmont Cricket Trophy, U11 Hockey players winning the London Hockey Tournament and U9 Football players winning a local tournament. The highlight of MTP's sporting success was reaching the national finals of the IAPS U13 Cricket competition; the team came a close second, having beaten very prestigious schools in the earlier rounds, including last year's champions.

The MTP "Sports Day" was reinstated (5 events across 3 sites) as was the annual hockey tour to Bath, in collaboration with St John's School. Table Tennis remains an extremely popular sport at MTP, and the pupils were inspired by a visit from Will Bayley (Paralympic Table Tennis player) who ran master classes to help improve performance. Facilities of MTS, as well of those at Bray Lake, were used to enhance water sports skills for pupils in Y7 and Y8.

MTS offered more than 20 Sports to the students and opened the sports facilities to the wider, local community. MTS had an outstanding sporting year, post Covid, with fixtures, across many sports, being played with numerous schools including Aylesbury Grammar School, Eton College, John Lyon School, King Alfred School, Uxbridge College and Watford Grammar School.

There was a resurgence in the interest shown in MTS Rugby and a number of games were played against local schools. MTS was the first school, post Covid, to reintroduce Rugby week, giving an opportunity to every age group to play under floodlights.

In Hockey, the 1st XI got to the semi-finals of the East Tier 2 cup while other years competed in county and national competitions with a large number of boys representing the County and 7 players playing performance centre Hockey.

MTS runs a 25 week Winter Cricket training programme for the boys. Boys competed at the Haileybury Cricket Festival, together with St Paul's School and St Benedict's School with great success. Middlesex CCC continued to use the School's facilities as part of their professional winter training.

Operational performance review 2021-2022 (continued)

4.3.5 Music

The 2021-22 academic year was a very successful one for music at MTP. Following on from earlier achievements in re-establishing the co-curricular musical provision, the list of opportunities offered to our pupils expanded even further. These now include: a new Wind Ensemble for beginner/intermediate woodwind players; an additional choir (Choristers) for the most chorally advanced pupils; and a refreshed school orchestra (The Francis Terry Orchestra) for instrumentalists of Grade 4 standard and above. These additions bring to nine the total number of ensembles and choirs rehearsing at MTP every week, with each of the groups offering particular opportunities to musicians of all ages and abilities. This growth in provision was complemented by an exciting and wide-ranging programme of concerts and events throughout the year. Highlights included: the live Spring and Summer Concerts; the Merchant Taylors' Young Musician of the Year Competition; the MTET concert at Merchant Taylors' Hall; participation in the performance of Fauré's Requiem in a Joint Concert with MTS; and the Prep Schools' Orchestral Concert, (the annual concert featuring chamber ensembles from St John's, MTP and MTS).

Other points of note during 2021-22 included a relaunch of our Year 1 Instruments Programme in February, to give pupils in Year 1 the opportunity to try a range of orchestral instruments before signing up for formal tuition in Year 2, and three days of ABRSM examinations in December, March and June which produced good results.

2021-2022 was a busy year for the Music at MTS. The year saw the return to a full programme of music-making, including the re-establishment of 16 large ensembles of mixed age-group musicians premised upon musical ability; the reorganisation of the rehearsal schedule to accommodate a new regular rehearsal slot for the Chamber Choir and Jazz Bands; face-to-face instrumental and singing teaching; musical collaborations with MTP, St John's Prep, and St Helen's School; live ABRSM exams; and a full programme of concerts throughout the year. As a result of being able to hold regular rehearsals for the Chamber Choir, it was possible to sing at two Evensong Services in the Summer Term; at Chichester Cathedral; and at Trinity College, Oxford.

The practice of recording performances to share online, which began during the lockdowns, was continued. Highlights were compiled from various concerts including the Autumn Concert, Carol Concert, Merchant Taylors' Hall Concert, Joint Concert, Spring Spectacular, Scholars' Concert, Chamber Music Concert and Informal Concerts to create showreels to be shared with the wider community.

The MTS Music department also organised the "Leading Notes" Chamber Music Course. The 3-day non-residential course was available to students from MTS, MTP and local schools, offering high quality tuition for advanced strings players to develop their chamber experience.

4.3.6 Drama

After two years of Covid-19 disruption, the Drama department at MTP returned in style to celebrate the end of another great season with Y8 pupils' confident production of Labiche's classic French farce 'An Italian Straw Hat' in the Summer term. The highlight of the Spring term at MTP was the Y6 lively and highly entertaining production of 'Our Day Out' by Willy Russell. The Spring term saw the enjoyable Y3 & Y4 production of 'Daniel: A Hard Act to Follow'. Meanwhile, Y5s spent the Spring term exploring the demands of mask technique, before devising and rehearsing scenes for presentation using the school's collection of Trestle Theatre Company masks. The end of the Summer term also saw the final cohort of Y7 LAMDA candidates undertake their Grade 3 Communication exams in 'The Speaking of Verse and Prose'. In addition to enhancing their public confidence and self-esteem, the pupils' hard work and talent was rewarded with a record-breaking 27 Distinctions and 2 Merits across the whole year group.

Further highlights of the Drama department at MTP included a Y6 pupil receiving a Drama Scholarship to St. Margaret's School in Bushey and Y8 pupils attending the National Theatre's acclaimed production of 'The Ocean at the End of the Lane' at the Duke of York's Theatre. As part of the MTP's initiative to pursue Artsmark status, MTP joined forces with the Trestle Theatre Company to help design a brand new set of half-masks aimed solely at younger children. To this end, Trestle Theatre Company have visited MTP twice to offer Y4s and Y6s half-mask workshops to further develop their prototype mask ideas. In addition, all Y6 pupils from a local primary school participated in a mask workshop, led by Trestle Theatre Company, as part of our outreach work.

Operational performance review 2021-2022 (continued)

4.3.6 Drama (continued)

At MTS, the year began with the Senior Production of Shakespeare's Macbeth, performed live in the Studio Theatre, and filmed professionally for a popular YouTube Premiere. Boys took part in workshops with Frantic Assembly, one of the UK's most successful theatre companies. During the Spring Term, boys turned their attention to the Junior Play, Private Peaceful, with a large cast of younger boys giving a thought-provoking and topical performance. The much-loved Duologues Competition featured boys from across the school, the Senior section being particularly hotly contested. There were preparation workshops for National Youth Theatre auditions with further success for MTS boys winning places in this prestigious company. In the Summer Term, the first A Level Theatre Studies cohort for considerable time at MTS performed their Devised piece to a large audience in the Studio Theatre. Preparations then began in earnest for the next major Joint Musical, Fame, and the Junior Play, Lord of the Flies.

4.3.7 Outdoor Education and Extra-Curricular

The MTS Outdoor Education Department provided opportunities for the boys to participate in adventurous pursuits beyond the traditional school Games options. During the School timetable, boys participated in rowing, sailing, kayaking, canoeing, stand-up paddleboarding, rifle shooting, and mountain biking. This year, an archery range was built to increase the number of after school curriculum options. Regular kayaking, mountain biking and wakeboarding trips ran over the weekends.During the school holidays, week-long school trips included climbing and whitewater kayak ventures to Snowdonia and a surfing trip to Fuerteventura.

Post pandemic, the complete Duke of Edinburgh Award programme was reintroduced, with over 80 boys signing up to Bronze, 20 participating in Silver, and a further 20 embarking upon their Gold Award. All completed the Expedition section under traditional conditions: Bronze participants walked and camped in the Chilterns; Silver trained in the Kent Downs and qualified in the New Forest; Gold trained in the Brecon Beacons and qualified in Snowdonia.

For the first time since March 2021, the Combined Cadet Force (CCF), at MTS, returned to the traditional model of delivering training on Fridays with all cadets. On ANZAC Day, the Contingent was once again invited to form a Guard of Honour at St Paul's Cathedral for the Gallipoli Association, and then paraded at the Cenotaph, before attending the remembrance service at Westminster Abbey.

The Army section attended a week-long military camp at Nesscliffe, for the first time in three years. Over 20 cadets across the Contingent have also undertaken a static-line parachute jump at Netheravon.

A squad of cadets from the Royal Navy section supported HMS Wildfire, the local Royal Navy Reserve unit at Northwood HQ during their annual Ceremonial Divisions.

4.3.8 Alumni Relations

At MTS alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School, and supported the career development of both OMTs and current pupils. The programme of online events developed during Covid-19 restrictions has continued in 2021 and 2022, although a return to events at school, around the UK, and internationally, has been welcomed. A communications programme runs alongside our events programme to keep our community up to date on all the activities the school offers.

4.3.9 Fundraising

The School seeks philanthropic funding from a variety of constituencies including: alumni; parents of school pupils; parents of alumni; friends of the School; corporates; and charitable trusts & foundations. Our approach to each constituency is considered and personal. We are committed to meeting high fundraising standards, act in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and have received no complaints. The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community, with a particular focus in 2021-22 on raising funds for an Indoor Cricket Centre.

Operational performance review 2021-2022 (continued)

4.3.10 Infrastructure

Investment in infrastructure continued during 2021-2022 in order to maintain the buildings and grounds at MTP. The cyclic programme of classroom refurbishment continued, in order to enhance the learning spaces in the School. Six further classrooms were updated, as well as the outdoor learning area, with a rolling programme planned for the remaining classrooms over the next few years.

Other MTP investments included safety improvements to clay tiled roofs, replacement boilers, new carpeting, new built-in storage areas, security fencing, upgrading the fire alarm system and replacing windows / doors, where required.

At MTS, investment in environmental improvements continued with the conversion of Astro pitch floodlights from halogen to LED. The 1960s hot water system was replaced with a modern efficient unit linked to the district heating plant room, which will reduce both costs and emissions. Cyclic refurbishment of Crittal windows /doors continued across the School, replacing single glazing with double glazed units.

The new Biology extension and refurbishment opened in September 2021. The Great Hall projector and classroom AV were upgraded and a project was initiated to equip pupils with tablets to enhance teaching and learning. Cyclic refurbishment continued with Mathematics classrooms, a Physics laboratory, a new Chemistry classroom and a Music Technology classroom.

Following months of collaborative planning with Middlesex County Cricket Club and Three Rivers District Council, Boom Construction Ltd. were contracted to build a five lane indoor cricket centre, which is due to open by January 2024.

4.4 Public benefit and outreach

Public benefit has been integral to School life since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit in deciding which activities the School should undertake. In the year under review, we continued to make a full contribution to the academic vigour and breadth of UK society, its schools and universities. As part of this contribution, 17 teaching and support staff serve as governors of 17 local schools.

As part of MTP's outreach work, we sponsored a local primary school through a well-being audit programme (Invincible Me) for the second year running, and this project is now complete. The classroom refurbishment programme meant that previously-used furniture was donated to two local primary schools and an education centre. Having previously helped to train a Forest School Leader in a local primary school, MTP provided weekly minibus support for their pupils to access weekly Forest School sessions. As part of the Artsmark project, all Y6 pupils from a local primary school attended a drama workshop at MTP provided by the Trestle Theatre Company. One of MTP's teachers visited a local primary school to offer specialist advice about the teaching of history and designing an effective curriculum for history.

At MTP, over £4,000 was raised by the school community via a variety of activities and for a range of charities. Money was raised for charities such as MacMillan Cancer Support, Comic Relief and Nephrotic Syndrome Trust, as well as collecting items for charity, such as supporting the Three Rivers Refugee Partnership, as part of our Harvest Festival and collecting socks and chocolates to support the New Hope Trust's work with local homeless people. In addition, MTP supported the Movember Foundation, through our Bow-vember campaign whereby younger pupils wear a bow tie to school if they cannot grow a moustache, and the Royal British Legion for the poppy campaign.

In 2021/2022, MTS focused on raising money for two main charities: Mount Vernon Cancer Centre and Watford New Hope Charity. Mount Vernon Cancer Centre is a leading specialist cancer facility providing outpatient chemotherapy, radiotherapy, brachytherapy and acute oncology service. The money donated enables the centre to support patients and complement what NHS funding can provide.

This helps the centre buy state-of-the-art medical equipment and comfortable furnishings, all while generally enhancing the patient experience. Watford New Hope Charity builds relationships and offers support to people who are homeless. It also offers recovery services which currently include Covid-secure recovery accommodation and a fledgling affordable housing scheme for those previously homeless.

Operational performance review 2021-2022 (continued)

4.4 Public benefit and outreach (continued)

The charity fund raising started with a student versus teacher dodgeball and basketball match, to raise money for Mount Vernon Cancer Centre. This was then followed up with one of biggest events of the year, "24 Hours of Music" in which soloists and ensembles of all shapes and sizes played music all day, with nine dedicated music students performing throughout the night. Through this event, a total of £3,400 was raised for Mount Vernon Cancer Centre.

A School Assembly was held as part of Charity Drive's new initiative to increase awareness of how we use the money raised, and the impact this can have on our local, and even national community. Guest speakers Joan Parsons and Joe Dunster shared with us some of the new facilities and technologies that Mount Vernon has invested in, and how this has significantly improved the experience of the patients there.

Another one of our most memorable events was the Watford New Hope Sleepout. Sixty boys and staff slept rough in the inner quad on a cold February night. The evening began with groups setting up camp using cardboard, tape and string. Activities such as Football, Mario Kart and Movies were available for the boys to enjoy, before settling into their camps. In the end it was a truly eye-opening event, and one where all involved can be proud of the almost £4,000 raised for Watford New Hope.

Throughout the year a Charity Drive stall operated at the ""MTS Mile"", as part of a wellbeing effort centred around the idea of staying fit and healthy. As per Taylors' tradition, non-uniform days were run throughout the year; however we celebrated our diverse community by encouraging people to dress in traditional clothing that was representative of their familial background.

Lastly, Charity Drive collected books from our students to give to a local primary school. The contributions from pupils and parents was immense, and we are extremely grateful and proud to be part of such a generous school community.

Community access to facilities

Governors maintained their support to the local community by providing weekly access to circa 2,500 members of the public drawn from at least 66 local sporting and social organisations of all age groups. Support to local primary Schools continued, including St Mary's School in Rickmansworth. Activate Sports, Vernon School of Cricket, Maximum Performances, The Hive, Sparks Arts, Flippers Swim School (Crash Course) and Future Star Education (Young Engineers). MTS enabled holiday activities for local children, utilising School sports pitches, the swimming pool, grounds and classrooms.

120 South Oxhey Sea Scouts benefitted from using the MTS Lake and area around the lake for scouting activities on Friday evenings as well as the school pool for PADI Courses. Rickmansworth & Watford Sea Cadets were supported with swimming pool time to teach and train cadets in kayaks. The Rickmansworth Fire Department made use of the lake for training days with their fire crews.

Athletics clubs such as Chiltern Harriers Athletics Club and Watford Joggers trained on the athletics track. Reddiford School had access to MTS for PE lessons and afternoon games sessions, which included athletics, cricket, and rounders.

In April 2022, MTS turned into a film production set for two weeks of setup and filming, turning two classrooms into film sets.

London Hockey continued to use the School during practice sessions and competitive matches against other counties. As a regional High-Performance Centre for England Hockey, the School hosted training evenings and weekend competitions for local children of various age groups.

The strong partnership with Middlesex County Cricket Club continued, with support provided to a full summer of cricket which included Youth cricket, the Men's 1st & 2nd XI teams playing fixtures and for the first time we supported the Middlesex Ladies 1st XI Team with training and T20 fixtures.

The School continued to support the MOD as a helicopter landing site to support visits to the Northwood Base and the provision of a running track to support individual fitness tests. HMS Wildfire, the local Royal Navy Reserve unit, held their Annual Ceremonial Dinner at the OMT Clubhouse.

Operational performance review 2021-2022 (continued)

Community access to facilities (continued)

The Moor Park 10k and Fun Run which took place on the School grounds raised a record breaking £61k for the local Mount Vernon Cancer Centre. The annual chip-timed closed road race was the biggest Annual Fundraiser for the Centre.

The School views this high level of commitment to the local community as essential and intends to maintain it.

4.5 Financial review

During the year under review, the School's incoming resources were £26.8m (2021: £26.0m) and total charitable expenditure was £24.6m (2021: £23.2m), generating a surplus of £1.9m (2021: £2.6m). The principal source of income was School fees, which accounted for £25.2m (94%), (2021: £23.4m (90%)). £0.4m (2021: £1.4m) was raised through the Development Office for bursaries and School development. Governors maintained their strategy of investing all net incoming resources in the School's educational purposes and infrastructure.

During the year, the School maintained expenditure on scholarships and bursaries at £2m (2021: £2m). Capital expenditure of £1.5m (2021: £1.9m) and revenue expenditure of £0.7m (2021: £1.1m) were invested in the School infrastructure. At MTS, this included completion of a new block to the Biology Laboratories, a Green Waste recyling project, and upgrading IT equipment. At MTP, a number of classrooms were refurbished, improvements were made to site security and the new School Office opened.

4.6 Going concern

The School operates as a going concern and had net cash flows from operating activities of £3.7m (2021: £4.5m).

4.7 Reserves policy

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £4.5m). On 31 August 2022 free unrestricted reserves were £7.6m (2021: £3.9m). These are defined as unrestricted funds, less both fixed assets and permanent endowment, adding back any outstanding loans. The reserves policy and its calculation are monitored by the Finance Committee and updated annually. Future development plans will be funded by a combination of cash flow, borrowing and fundraising.

Total reserves as at 31 August 2022 were £44.2m (2021: £43.2m), of which £2.2m relates to Restricted funds (2021: £2.0m) and £1.8m to the Endowment Fund (2021: £2.1m). Unrestricted reserves totalled £40.1m (2021: £39.0m), of which £9.2m (2021: £9.9m) was designated for various purposes, as outlined in Note 15 to the accounts.

4.8 Risk Management

Governors have ensured a robust risk management framework has been developed and updated throughout the year. Whilst the pandemic dominated risk management last year, a wider range of risks has emerged during this period, including the impact of the Russian invasion of Ukraine, the economic impact of rising inflation and increasing political pressure on Independent Schools.

The Risk Management Committee, drawn from across the School, has reviewed emerging risks and updated the School's Risk Register, in order to identify the likelihood and impact of foreseeable risks to the School's operations. As the Governor responsible for Risk Management, Alan Eastwood has attended regular meetings and ensured that the Governing Body has been updated when required. The Risk Register is scrutinised by the School's Finance Committee annually, before the key strategic risks are reviewed by Governors.

The key risks and vulnerabilities identified during this period were: Political risk, Inflation, Fire, Cyber-security, and Safeguarding. Governors have applied a range of measures to manage and mitigate these risks.

Operational performance review 2021-2022 (continued)

4.8 Risk Management (continued)

Governors continue to monitor the emerging political risks, which may lead to VAT on school fees and the removal of charitable relief on business rates. Whilst the financial impact on fee paying parents could be significant, contingency plans are being developed to restructure the School's business model to provide as much support as possible.

In response to the economic pressure, the School has scrutinised expenditure and reduced operating costs where possible to hold down fee increases. This work will continue in order to limit the inflationary impact on fee paying parents.

The School continues to implement the Safer Recruiting Action Plan to ensure that all appointments comply with Keeping Children Safe in Education and meet the ISI regulatory requirements.

4.9 Remuneration policy

The MTS Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the School Leadership Team. The Remuneration Committee considers the external environmental factors, which influence recruiting and retention, alongside other relevant issues. These include reference to independent benchmarking surveys, including Haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are presented to the main Governing Body for consideration and endorsement, before being implemented from the following September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles.

4.10 Investment policy

The MTS Investment Committee, chaired by The Hon. Richard Newall, oversees the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the asset allocation adopted is reviewed in the light of external events and adjusted, as necessary. This has been a challenging period for the markets, but the Investment Committee has worked with Rathbones to protect the long term capital value of the School's endowment funds from inflation and market volatility, whilst building designated and endowment funds to support future bursary awards and other commitments.

4.11 Future plans

Merchant Taylors' School aims to be the independent day school of choice for boys aged 3-18 in the North West London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will benefit from the all-round education that we offer and achieve great things;
- ensure an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;
- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;
- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;
- be mindful of our historic charitable foundation and promote wider public benefit in our activities;
- remain a competitive fee-paying school in the independent sector; and
- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School.

Operational performance review 2021-2022 (continued)

4.12 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the wellbeing, safeguarding and educational needs of the boys and staff foremost as well as providing support in the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries in connection with the Covid-19 pandemic; capital expenditure management and the optimisation of remote learning.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in the Strategic Report, which can be found at section 4.1 - 4.8. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.9 of the Strategic Report.

Our environmental, social and governance practices are described in section 4.4 (Public benefit and outreach) and the extent of bursarial support for pupils whose families are unable to pay the school fees are primarily set out at section 4.5 (Financial review). For the second year, Merchant Taylors' School is reporting key energy and carbon usage information and this can be found in section 4.13 (Environmental performance). This area of ESG reporting will, no doubt, develop over time.

Operational performance review 2021-2022 (continued)

4.13 Environmental Performance

MTS SECR Reporting Period: September 2021 – September 2022 Energy Source	Consumption	Scope	2022 Emissions calculation (t COe)	2021 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	3,212,982 kWh (gross CV (calorific value))	Scope 1	**578**	793
Transport – Mini-bus	24,187 miles	Scope 1	**8.64**	12.37
Diesel (100% mineral diesel)	13,524 litres	Scope 1	**48**	509
Propane – Total Litres	4,254 litres	Scope 1	**6.55**	20.9
Electricity – total kWh electricity bills for the school	1,411,201 kWh	Scope 2	**273**	260
Business travel (average car)	658 miles	Scope 3	**0.18**	0.71
Business travel land (taxi)	1136 km	Scope 3	**0.17**	0
Business travel land (rail)	963 km	Scope 3	**0.03**	0.03
Hotel Stay	0 kg CO2e	Scope 3	**0**	0.14
Water Supply	26,251 m3	Scope 3	**3.9**	2.83
Water Treatment	214,330 m3	Scope 3	**5.83**	4.25
Waste Disposal - Metal	0.55 tonnes	Scope 3	**11.7**	12.41
Waste Disposal - WEEE Mixed	0.50 tonnes	Scope 3	**10.64**	38.12
Waste disposal - Batteries	0.15 tonnes	Scope 3	**3.19**	7.56
Waste Disposal - Paper and board: mixed	2.32 tonnes	Scope 3	**49**	93
Waste Disposal - Glass	2.16 tonnes	Scope 3	**46**	9
Waste Disposal - Refuse/ Commercial and industrial waste	46 tonnes	Scope 3	**973**	1,348
Waste Disposal - Paper	4.34 tonnes	Scope 3	**92**	134
Total			**2,110**	3,246
Intensity ratio	Emissions data (tCO2e) per pupil &FTE		**1.8t CO2e per pupil & FTE**	2.7t CO2E per pupil & FTE

Operational performance review 2021-2022 (continued)

4.13 Environmental Performance

MTP SECR Reporting Period: September 2021 – September 2022 Energy Source	Consumption	Scope	2022 Emissions calculation (t COe)	2021 Emissions calculation (t COe)
Gas – total kWh (kilowatt-hours) from gas bills	470,779 kWh (gross CV calorific value)	Scope 1	**85**	28
Transport – Mini-bus	7,462 miles	Scope 1	**2.67**	4.01
Electricity – total kWh used for the year, taken from the electricity bills for the school	199,669 kWh	Scope 2	**39**	43
Water Supply	4,176 m3	Scope 3	**0.62**	0.28
Water Treatment	4,176 m3	Scope 3	**0.62**	0.5
Waste Disposal – Refuse/Commercial and industrial waste	37 tonnes	Scope 3	**830**	827
Waste Disposal – Paper and board: mixed	1.5 tonnes	Scope 3	**32**	40
Total			**989**	942
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (pupil numbers as per Autumn census)		**2.17t CO2e per pupil & FTE**	2.05t CO2e per pupil & FTE

Whilst the emissions data has increased for MTP over the 2021-22 academic year, this is as a direct result of increased gas usage. This will be addressed with the implementation of the new building management programme, which should lead to a reduction in the overall gas usage and CO2 emissions from 2022-23.

Under the Energy and Carbon Report Regulations 2018, the School is required to report on the environmental impacts of the organisation. The key environmental impacts for the School are gas and electricity consumption and the vehicles used across both sites. The methodology used

- Scope 1 refers to direct business greenhouse gas emissions generated including from furnaces or heating equipment;
- Scope 2 covers indirect emissions from electricity, which a firm needs, but which come from sources not under the control of the school including power stations; and
- Scope 3 covers emissions (not classed as Scope 2) that are a consequence of our actions, but are not under the control of the school. This methodology follows the SECR Reporting Protocol and uses the 2021 Govt. Emission Conversion Factors for Greenhouse Gas Company Reporting.

The School is always actively seeking ways to reduce emissions and has launched a campaign "Using less @ MTS" in 2022-2023 to reduce carbon emissions through staff and student education.

4.14 Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

b) he / she has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

4.15 Disability statement

The Company continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The Company provides equal opportunities to all staff on the basis of objective criteria and personal merit.

4.16 Auditors

Saffery Champness LLP, Chartered Accountants, have indicated their willingness to continue in office.

By order of the Board

D G M Eggar
Chairman
Date 15-03-2023

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2022 which comprise statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's state of affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 19, the trustees (who are also 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Auditor's responsibilities for the audit of the financial statements (continued)

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements a·rising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

http://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.

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Cara Turtington (Senior Statutory Auditor) for and on behalf of Saffery Champness LLP

Chartered Accountants

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 27 March 2023

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

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2022

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2022	2021
Income from:		£	£	£	£	£	£
Charitable activities							
School Fees	2	25,242,337	-	-	-	**25,242,337**	23,446,472
Registration/Admissions Fees	3	130,587	-	-	-	**130,587**	131,813
Other charitable activities							-
Other ancillary income - Insurance	3	7,935	-	-	-	**7,935**	8,381
Other ancillary income - Rents Received	3	240,815	-	-	-	**240,815**	251,083
Other ancillary income - HMRC	3	-	-	-		**-**	289,322
Other	3	166,464				**166,464**	97,872
Other trading activities							-
Donation from MTSEL	7	188,975	-	-	-	**188,975**	104,075
							-
Investments	3	19,343	67,015	42,704	-	**129,062**	79,112
							-
Donations & legacies							-
Donations	3			278,024	-	**278,024**	230,353
Development Campaign Income	3	47,724		375,933	-	**423,657**	1,405,513
Total Income:		**26,044,180**	**67,015**	**696,661**	**-**	**26,807,856**	26,043,996
Expenditure on:							
Raising funds							
Alumni Relations and Development	5	273,044	-	6,389	-	**279,433**	192,968
Investment management		-	12,822	7,885	-	**20,707**	18,025
Financing costs		16,533	2,860	-	-	**19,393**	15,778
		289,577	**15,682**	**14,274**	**-**	**319,533**	226,771
Charitable Activities							
School and grant making		23,968,581	189,884	419,569	-	**24,578,034**	23,220,096
Total expenditure	5	**24,258,158**	**205,566**	**433,843**	**-**	**24,897,567**	23,446,867
Net income/(expenditure) before investment gains		1,786,022	(138,551)	262,818	-	1,910,289	2,597,129

Statement of financial activities (continued)
For the year ended 31 August 2022

	Notes	Unrestricted	Designated	Restricted	Permanent Endowment	2022	2021
Net (loss)/gain on investments		-	(597,463)	(125,025)	(189,905)	**(912,393)**	1,096,917
Net income		**1,786,022**	**(736,014)**	**137,793**	**(189,905)**	**997,896**	*3,694,046*
Transfers	8	(6,999)	20,569	98,483	(112,053)	-	-
Net movement in funds		**1,779,023**	**(715,445)**	**236,276**	**(301,958)**	**997,896**	3,694,046
Fund balances at 31 August 2021		29,159,822	9,926,822	2,046,274	2,106,461	**43,239,379**	*39,545,333*
Fund balances at 31 August 2022	14	**30,938,845**	**9,211,377**	**2,282,550**	**1,804,503**	**44,237,275**	43,239,379

Summary Income and Expenditure Account

	2022	2021
	£	£
Total Income	26,807,856	26,033,496
Total Expenditure	24,897,568	23,446,867
Unrealised/realised gains and (losses)	(722,488)	704,616
Net Income for the year	1,187,800	3,291,245

All amounts relate to continuing operations.

The notes on pages 26-41 form part of these financial statements.

Balance Sheet
For the year ended 31 August 2022

	Notes		2022		2021
Fixed assets		£	£	£	£
Tangible Fixed Assets	6		33,550,891		33,657,981
Investments	7		6,733,087		7,556,653
Current assets					
Stocks	9	104,613		22,395	
Debtors	10	707,910		354,733	
Cash		8,842,859		6,321,623	
		9,655,382		6,698,751	
Current liabilities					
Creditors: due within one year	11	(4,893,276)		(3,923,143)	
Net current assets			4,762,106		2,775,608
Total assets less current liabilities			45,046,084		43,990,242
Creditors: due after more than one year	12		(808,809)		(750,863)
Total net assets			44,237,275		43,239,379
Unrestricted funds	15		40,150,222		39,086,644
Restricted funds	16		2,282,550		2,046,274
Endowment	17		1,804,503		2,106,461
Total funds	14		44,237,275		43,239,379

The financial statements were approved by the Governors on 15 March 2023

and were signed on their behalf by

D G M Eggar
Director

R Newall
Director

Company Registration No. 3411540

The notes on pages 26-41 form part of these financial statements.

Cash flow statement
For the year ended 31 August 2022

	Notes	2022		2021	
		£	£	£	£
Net cash flows from operating activities	18		4,004,385		4,513,670
Cash flows from investing activities					
Investment income		129,062		79,112	
Purchase of FA		(1,531,583)		(1,932,670)	
Proceeds from sale of investments		1,791,570		2,701,842	
Purchase of investments		(1,754,970)		(3,769,628)	
Net cash in investing activities			(1,365,921)		(2,921,344)
Cash flows from financing activities					
Movement in final deposits		8,200		(66,800)	
Loan interest				-	
Repayment of borrowing				(529,725)	
Net cash used in financing activities			8,200		(596,525)
Change in cash and cash equivalents in the reporting period			2,646,664		995,801
Cash and equivalents b/f	19		6,422,247		5,426,446
Cash and equivalents c/f at 31 August	19		9,068,911		6,422,247

The notes on pages 26-41 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statement are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places, the School's projected cash flows and impact of Covid-19, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 17.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128 year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

1.3 Depreciation

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

Building and leasehold improvements	-	70% charged over 50 years, 30% charged over 20 years - the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	-	over 10 years or 20 years
Machinery and motor vehicles	-	over 4 years
Computer hardware	-	over 4 years

Depreciation is not charged on assets under construction or freehold land. Individual items costing less than £500 are written off as an expense, as acquired.

1.4 Current assets

Stocks consist of textbooks, tablets and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

1.5 Fees and similar income

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

Accounting policies (continued)

1.6 Donations, legacies, grants and other voluntary income

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.7 Investments and investment income

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

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

1.8 Expenditure

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings, either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.9 Pensions

The School's teaching staff are members of the Teachers' Pension Scheme (England and Wales) (TPS) operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is an unfunded multi-employer scheme governed by The Teachers' Pension Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme. During the year, an optional defined contribution pension scheme was implemented and made available to any member of staff with effect from 1 September 2021. The TPS continues to be available to teaching staff.

The group personal pension plan for eligible support staff which operated during the year under review is detailed in note 20. The associated pension contributions costs are charged to the Statement of Financial activities as incurred.

1.10 Rental income

Rental income is accounted for on a receivable basis.

1.11 Fund accounting

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:
(i) Permanent Endowed Funds:
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds.

Accounting policies (continued)

1.12 Operating leases

Rentals payable are charged on a time basis over the lease term.

1.13 Taxation

The School is a registered charity and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.14 Debtors

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

1.15 Cash at bank and in hand

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

1.16 Creditors

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

1.17 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Critical accounting judgement and estimates

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

Accruals are estimates as costs that will be incurred based on contractual requirements For depreciation, estimates are driven by the useful economic life of the associated assets.

For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School fees

	2022 £	*2021 £*
The School's fee income comprised:		
Gross Fees	26,808,834	*25,789,646*
Less: Summer discounts	-	*(715,679)*
	26,808,834	*25,073,967*
Less: Total Bursaries, Grants and Allowances	(1,986,066)	*(2,032,965)*
	24,822,768	**23,041,002**
Add back: Scholarships, Grants and Allowances paid for by Restricted Funds held by , MT Co Charities Fund, MTET Endowment Fund and Development Fundraising	419,569	405,470
	25,242,337	*23,446,472*

3. Other income

	2022 £	*2021 £*
Other educational charitable activities		
Registration Fees	108,087	*115,663*
Admission Fees	22,500	*16,150*
	130,587	*131,813*
Other ancillary activities		
Insurance	7,935	*8,381*
Rents Receivable	240,815	*251,083*
Deposits Forfeited, Fees In Lieu, Music Income and Other Misc Income	166,464	*97,872*
MTSEL donation	188,975	*104,075*
Government grants	-	*289,322*
	604,189	*750,733*
Investment income		
Bank Interest	18,207	*850*
Investment Income	109,534	*77,315*
Interest on Late Fees	1,321	*947*
	129,062	*79,112*
Donations		
MT Company Donation	36,650	*42,550*
MT Co Prizes	9,000	-
Scholarship Income	7,374	*8,267*
MTET Endowment Fund	225,000	*179,536*
	278,024	230,353
Development Campaign Income	**423,657**	1,405,513
	701,681	1,635,866

4. Expenditure

	2022 £	*2021 £*
Support costs of schooling included:		
Auditors' renumeration for audit services	28,984	26,850
Auditors' renumeration for other services	-	-
	28,984	26,850
Total staff costs comprised:		
Wages and salaries	12,888,982	12,583,098
Social security costs	1,383,326	1,299,690
Pension contributions	2,551,441	2,351,130
Termination costs	11,327	80,498
	16,835,076	16,314,416

Employees

The average number of employees in the year was 362 (2021: 363) of which 152 (2021: 152) were teaching staff.

The number of higher paid employees was:	2022	2021
£60,001-£70,000	36	33
£70,001-£80,000	15	13
£80,001-£90,000	3	4
£90,001-£100,000	2	1
£110,001-£120,000	1	1
£120,001-£130,000	1	1
£190,001-£200,000	0	1
£210,001-£220,000	1	-

Fifty five (2021:fifty) of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme - employer contributions paid at the rate of 23.68% of salary) and four (2021:four) employees had benefits accruing in the Group Personal Pension Plan (with employer contribution paid at 15% (2021:14%) of salary.

The key management personnel of the School comprise the Headmaster, the Bursar and the Senior Leadership Team. Their combined contractual benefits totalled £1,610,747 (2021:£1,503,124)

Governors' remuneration

No Governor, nor persons connected with them, received any remuneration in the year ended 31 August 2022 (2021:Nil) and Governors are not included in the number of persons employed given above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2022 £
Raising funds				
Financing costs/bank interest	-	19,393	-	19,393
Investment management	-	20,707	-	20,707
Development office	203,636	69,408	-	273,044
	203,636	109,508	-	313,144
Charitable activities				
Teaching	13,025,695	1,884,959	-	14,910,654
Welfare	775,405	538,283	-	1,313,688
Premises	1,087,003	3,195,464	908,400	5,190,867
Support Costs of schooling	1,743,337	269,646	540,389	2,553,372
School's operating costs	16,631,440	5,888,352	1,448,789	23,968,581
Bursaries paid for by Restricted Funds	-	419,569	-	419,569
Development Campaign Restricted	-	6,389	-	6,389
OMT Sports facilities	-	-	189,884	189,884
	-	425,958	189,884	615,842
Total Expenditure	**16,835,076**	**6,423,818**	**1,638,673**	**24,897,567**

Analysis of total expenditure - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2021 £
Raising funds				
Financing costs/bank interest	-	15,778	-	**15,778**
Investment management	-	18,025	-	**18,025**
Development office	177,726	12,818	-	**190,544**
	177,726	46,621	-	**224,347**
Charitable activities				
Teaching	12,574,150	1,297,413	-	**13,871,563**
Welfare	720,638	378,891	-	**1,099,529**
Premises	1,118,120	2,968,965	850,912	**4,937,997**
Support Costs of schooling	1,723,823	423,420	568,410	**2,715,653**
School's operating costs	16,136,731	5,068,689	1,419,322	**22,624,742**
Bursaries paid for by	-	405,470	-	**405,470**
Development Campaign Restricted	-	2,424	-	**2,424**
OMT Sports facilities	-		189,884	**189,884**
	-	407,894	189,884	**597,778**
Total Expenditure	16,314,457	5,523,204	1,609,206	**23,446,867**

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2022
	£	£	£	£
Costs or revaluations				
1 September 2021	43,938,116	1,257,161	8,249,258	53,444,535
Additions	453,844	26,995	1,050,744	1,531,583
Transfers	1,257,161	(1,257,161)	-	-
Disposal	-	-	-	-
31 August 2022	**45,649,121**	**26,995**	**9,300,002**	**54,976,118**
Depreciation				
1 September 2021	13,826,879	-	5,959,675	19,786,554
Charge for current year	1,098,284	-	540,389	1,638,673
31 August 2022	**14,925,163**	**-**	**6,500,064**	**21,425,227**
Net book value				
31 August 2022	**30,723,958**	**26,995**	**2,799,938**	**33,550,891**
31 August 2021	**30,111,237**	**1,257,161**	**2,289,583**	**33,657,981**

Of the total net book value of land and buildings included above, £8,269,155 is freeehold (£2,900,000 land) and £22,454,802 is leasehold.

7. Investments

	2022	2021
	£	£
Investment in subsidiary	100	100
Quoted Investments	6,732,987	7,556,553
Fees In advance Investments	-	-
	6,733,087	7,556,653

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2022	2021
	£	£
Gross profit	391,502	181,666
Gross expenditure	(202,527)	(77,591)
Net surplus before donating to MTS	188,975	104,075

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2021:£100).

Investments at 31 August 2022 were:	Quoted Investments
	£
Fixed Interest	434,184
Overseas Bonds	-
UK Equities	86,975
UK Investment Companies	1,483,277
Overseas Investment Companies	4,502,498
Private Equity	-
Alternatives	-
Cash	226,053
	6,732,987

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2022	2021
	£	£
Housing Fund - Designated	6,999	6,999
Transfer to/(from) Fees In Advance	-	(5,125)
Bursary Fund - Designated	13,570	-
Bursary Fund - Restricted	98,483	-
Endowed Funds	(112,053)	-
Net transfer to/(from) Funds	6,999	1,874

Bursary funds (which are found in notes 15, 16 and 17) are invested where the income is reinvested each year, rather than being distributed. The income is recognised in the statement of financial activities in the restricted or designated bursary fund (as appropriate), as available to fund bursaries. Consequently, transfers above have made between funds to recognise the reallocation of investments, and any gains and losses thereon.

Refer to Notes 15, 16 and 17 for further analysis.

9. Stocks

	2022	2021
	£	£
Consumables (including textbooks)	18,623	16,212
Goods for resale	85,990	6,183
	104,613	22,395

10. Debtors

	2022	2021
	£	£
Trade/Fee Debtors	55,084	54,252
Amounts owed from Related Undertakings (see Note 23)	203,753	108,453
Prepayments and accrued income	171,123	112,464
Other debtors	277,950	79,564
	707,910	354,733

11. Creditors: due within one year

	2022	2021
	£	£
Amounts due to Related Undertakings (see Note 23)	-	-
Bank loans and overdrafts	-	-
Final term deposits	73,600	89,200
Trade creditors	700,389	375,481
Accruals	1,279,718	1,193,021
Exam deposits and Autumn term pre-payments	2,363,028	1,956,388
Other deferred income	1,150	1,150
Fees In Advance Scheme	109,142	116,790
Other creditors	366,249	191,113
	4,893,276	3,923,143

12. Creditors due after more than one year

	2022	2021
	£	£
Final term deposits		
Within 1 to 2 years	78,300	71,200
Within 2 to 5 years	250,800	247,100
After 5 years	277,400	264,400
	606,500	582,700
Fees in Advance		
Within 1 to 2 years	161,309	128,111
Within 2 to 5 years	41,000	40,052
After 5 years		
	202,309	168,163

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2021	284,953
New contracts	160,671
Discounts	2,768
	448,392
Amounts utilised in payment of fess	(136,941)
Balance as at 31 August 2022	311,451

14. Analysis of net assets

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	38,479,475	7,372,832	(4,893,276)	(808,809)	**40,150,222**
Restricted funds	-	2,282,550	-	-	**2,282,550**
Permanent endowment funds	1,307,005	-	-	-	**1,307,005**
Expendable endowment funds	497,498	-	-	-	**497,498**
Total	**40,283,978**	**9,655,382**	**(4,893,276)**	**(808,809)**	**44,237,275**

Analysis of net assets – previous year

	Fixed assets and Investments	Current assets	Current liabilities	Long term liability	Total
	£	£	£	£	£
Unrestricted and designated funds	39,108,173	4,652,477	(3,923,143)	(750,863)	**39,086,644**
Restricted funds	-	2,046,274	-	-	**2,046,274**
Permanent endowment fund	1,547,690	-	-	-	**1,547,690**
Expendable endowment fund	558,771	-	-	-	**558,771**
Total	**41,214,633**	**6,698,750**	**(3,923,143)**	**(750,863)**	**43,239,378**

15. Analysis of unrestricted funds

	Balance 2021 £	Income/Gains £	Expenditure £	Transfers £	Balance 2022 £
Undesignated					
General Reserves	29,161,126	26,044,180	(24,258,158)	(6,999)	**30,940,149**
Designated					
Housing Fund	68,455	-	-	6,999	**75,454**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	625,744	-	-	13,570	**639,314**
OMT Asset Fund	4,524,750	-	(189,884)	-	**4,334,866**
Durrants Fund	4,573,283	66,830	(610,285)	-	**4,029,828**
Fees In Advance Scheme	11,706	185	(2,860)	-	**9,031**
	9,925,518	67,015	(803,029)	20,569	**9,210,073**
Total	**39,086,644**	**26,111,195**	**(25,061,187)**	**13,570**	**40,150,222**

Refer to Note 8 for further information regarding transfers.

Analysis of unrestricted funds - previous year

	Balance 2020 £	Income/Gains £	Expenditure £	Transfers £	Balance 2021 £
Undesignated					
General Reserves	27,611,797	24,088,678	(22,537,475)	(1,874)	**29,161,126**
Designated					
Housing Fund	61,456	-	-	6,999	**68,455**
Pension Fund	121,580	-	-	-	**121,580**
Bursary Fund	603,671	22,073	-	-	**625,744**
OMT Asset Fund	4,714,634	-	(189,884)	-	**4,524,750**
Durrants Fund	3,906,623	676,975	(10,315)	-	**4,573,283**
Fees In Advance	21,098	-	(4,267)	(5,125)	**11,706**
	9,429,062	699,048	(204,466)	1,874	**9,925,518**
Total	**37,040,859**	**24,787,726**	**(22,741,941)**	**-**	**39,086,644**

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Pension Fund

Historically the designated Pension Fund had been set up to fund the School's share of the deficit in the Merchant Taylors' Company Pension Scheme. During 2013 the Trustees completed a buy-out with Aviva Plc. and the School entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund is being maintained with a view to meeting any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011, the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge in the accounts of £189,884 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities. Included within the Durrants Fund, is a revaluation reserve totalling £1,111,312 in relation to fixed asset investments.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2021	Incoming Resources	Resources Expended	Transfers	Balance 2022
	£	£	£	£	£
General Donations	116,019	278,023	(278,413)	-	115,629
Furlough Income	-	-	-	-	-
	116,019	278,023	(278,413)	-	115,629
Development Fund					
Bursary	842,614	209,639	(269,657)	98,483	881,079
Sports, arts and school campus	32,040	8,983	(6,000)	-	35,023
Capital projects	1,055,601	200,016	(4,798)	-	1,250,819
	1,930,255	418,638	(280,455)	98,483	2,166,921
Total	2,046,274	696,661	(558,868)	98,483	2,282,550

Refer to Note 8 for further information regarding transfers.

Analysis of restricted funds - previous year

	Balance 2020	Incoming Resources	Resources Expended	Transfers	Balance 2021
	£	£	£	£	£
General Donations	292,278	102,002	(278,261)	-	116,019
Furlough Income	-	289,322	(289,322)	-	-
	292,278	391,324	(567,583)	-	116,019
Development Fund					
Bursary	433,674	544,283	(135,343)	-	842,614
Sports, arts and school campus	19,261	14,779	(2,000)	-	32,040
Capital projects	55,601	1,000,000	-	-	1,055,601
	508,536	1,559,062	(137,343)	-	1,930,255
Total	800,814	1,950,386	(704,926)	-	2,046,274

During 2020-2021, the School received £289,322 restricted funds from HMRC in the form of Government grants in relation to the Coronavirus Job Retention Scheme.

17. Analysis of endowed funds

	Balance 2021	Income/Gains	Expenditure	Transfers	Balance 2022
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,547,690	-	(124,462)	(116,223)	1,307,005
Expendable Endowment	558,771	-	(65,443)	4,170	497,498
Total	2,106,461	-	(189,905)	(112,053)	1,804,503

Refer to Note 8 for further information regarding transfers.

Analysis of endowed funds - previous year

	Balance 2020	Income/Gains	Expenditure	Transfers	Balance 2021
	£	£	£	£	£
Development Fund					
Permanent Endowment	1,224,762	322,928	-	-	1,547,690
Expendable Endowment	478,898	79,873	-	-	558,771
Total	1,703,660	402,801	-	-	2,106,461

The Permanent Endowment was initiated in 2009 when the School launched its campaign for bursaries ("Forward To Our Roots"). The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2022	2021
Net income for the reporting period	**997,896**	3,694,046
Depreciation	**1,638,673**	1,609,206
Losses/(gains) on investments	**912,393**	(1,002,898)
(Investment income)	**(129,062)**	(79,112)
Increase in operating creditors and accruals	**1,019,880**	216,284
(Increase)/decrease in debtors	**(353,177)**	50,625
(Increase)/decrease in stock	**(82,218)**	25,519
Net cash flow from operating activities	**4,004,385**	4,513,670

19. Net debt reconciliation

	At 1 September 2021	Cash Flows	Other non cash changes	At 31 August 2022
Cash and cash equivalents				
Cash at bank and in hand	6,321,623	2,521,236	-	8,842,859
Cash at investment managers	100,624	125,429	-	226,053
Total	**6,422,247**	**2,646,665**	**-**	**9,068,912**

Net debt reconciliation - previous year

	At 1 September 2020	Cash Flows	Other non cash changes	At 31 August 2021
Cash and cash equivalents				
Cash at bank and in hand	4,748,981	1,572,642	-	6,321,623
Cash at investment managers	677,465	(576,841)	-	100,624
	5,426,446	995,801	-	6,422,247
Loans falling due within one year	(529,725)	529,725	-	-
Total	4,896,721	1,525,526	-	6,422,247

20. Pension costs

Teaching staff

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 £1,967,700 (2021: £1,896,104) and at the year-end £186,080 (2021 - £nil) was accrued in respect of contributions to this scheme.

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

Pension costs (continued)

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 government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

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 and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary,and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed 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.

Support staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School, subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to 2021: £583,741 (2021:£459,185).

21. Capital commitments

Capital expenditure contracted but not provided for in the financial statements for the School, totalled £4.7 million (2021: £0.6m).

22. Other financial commitments

At 31 August 2022, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	**120,483**	118,626
Between 2 and 5 years	**472,281**	451,773
In *over* 5 years	**12,561,472**	12,673,628

23 Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

MTET approved the appointment of the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company. The balance outstanding from MTET at the year-end was £Nil (2021: £Nil).

23.2 Merchant Taylors' School Enterprises Limited (MTSEL)- Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The profit donated to the School was £188,975 (2021: £104,075). The balance outstanding from MTSEL at the year end was £196,594 (2021: £105,213).

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance receivable from Merchant Taylors' Company in respect of these services at the year end was 2022: £nil (2021: £3,000).

The Merchant Taylors' Company owns the original land and buildings from which the School operates. The School currently has a 128 year lease from 16 March 2011, at a current annual rent of £112,156 (2020: £112,156) to be subject to review. No amount was outstanding at either the 2022 or 2021 year end.

23.4 Merchant Taylors' School and St John's School, Northwood are connected by common administration. Some support staff of Merchant Taylors' School perform similar duties for St John's School. An annual management fee for this service is charged to St John's, which amounted to £80,000 (2021: £70,000) for the year ended 31 August 2022, and the balance due from St John's School was £7,159 (2021: £240) at the year end.

23.5 Governors do not receive any remuneration but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £1,700 (2021: £1,068) paid to three (2021: three) Governors.

The total amount of donations received from the Governors during the year was £1,475 paid by three Governors (2021: £50) (paid by one Governor), of which £1,425 was restricted to the indoor cricket centre (2021: £nil).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, £1,345 was receivable from The Old Merchant Taylors' Society (2021: £ 3,429).

24. Comparative information

	Unrestricted			Permanent	2021
	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds
Notes					
Income from:	£	£	£	£	£
Charitable activities					
School Fees	23,446,472	-	-	-	**23,446,472**
Registration/Admissions Fees	131,813	-	-	-	**131,813**
Other charitable activities					
- Insurance	8,381	-	-	-	**8,381**
- Rents received	251,083	-	-	-	**251,083**
- Government grants	-	-	289,322	-	**289,322**
- Other	97,872	-	-	-	**97,872**
Other trading activities					
Donation from MTSEL	104,075	-	-	-	**104,075**
Investments	1,797	41,198	36,117	-	**79,112**
Donations & legacies					
Donations	-	-	230,353	-	**230,353**
Development Campaign Income	47,185	-	1,347,828	10,500	**1,405,513**
Total Income:	**24,088,678**	**41,198**	**1,903,620**	**10,500**	**26,043,996**
Expenditure on:					
Raising funds					
Alumni Relations and Development	190,544	-	2,424	-	**192,968**
Investment management	-	10,315	7,710	-	**18,025**
Financing costs	11,511	4,267	-	-	**15,778**
	202,055	**14,582**	**10,134**		**226,771**
Charitable Activities					
School and grant making	22,335,420	189,884	694,792	-	23,220,096
Total expenditure	**22,537,475**	**204,466**	**704,926**	**-**	**23,446,867**
Net income/(expenditure) before investment gains	**1,551,203**	**(163,268)**	**1,198,694**	**10,500**	**2,597,129**
Net Assets gain/(loss) on investments	-	657,850	46,766	392,301	1,096,917
Net income	**1,551,203**	**494,582**	**1,245,460**	**402,801**	**3,694,046**
Transfers	(1,874)	1,874	-	-	-
Net movement in funds	**1,549,329**	**496,456**	**1,245,460**	**402,801**	**3,694,046**
Fund balances at August 2020	27,610,493	9,430,366	800,814	1,703,660	39,545,333
Fund balances at August 2021	**29,159,822**	**9,926,822**	**2,046,274**	**2,106,461**	**43,239,379**

MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2021

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Contents

	Page
Reference and administration	3
Governors' report (incorporating the Strategic Report)	4-25
Independent auditors' report	26-29
Statement of financial activities	30-31
Balance sheet	32
Cash flow statement	33
Notes to the financial statements	34-57

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Mr D G M Eggar (Chairman) Eur.Ing, C.Eng, MICE, BSc, FRSA Mr
R J Brooman, MA, FCA
Dr J M Cox, BSc, PhD
Cdre A Cree, CBE Royal Navy
Mr G B M H du Parc Braham MA, MPhil
Mr A Eastwood, BComm, ACA
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD
Mr A G Moss, FCA
The Hon R H E Newall, PICAM (appointed 01/09/2021)
Mr J C Oram, BA (Hons),MSc, MRICS (appointed 02/09/2021)
Miss L Orr, MA, MSt
Mr V Paul, BA, MSc (appointed 01/09/2021)
Mrs J K M Redman, LL.B (Hons)
Mr D J Shah, OBE, MSc, FRSA (resigned 31/08/2021)
Sir M Tomlinson, CBE, FRSA
Mr J D R Twining, MA

Head Master	Mr S J Everson, MA
Bursar and Company Secretary	Mr I D Williams BSc (Hons), MBA
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website www.mtsn.org.uk
Registered numbers	Company registration number 03411540 Charity registration number 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

1. INTRODUCTION

The Governors of Merchant Taylors' School present their annual report and audited financial statements of the Charity for the year ended 31 August 2021. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Merchant Taylors' School ("the School" or "MTS") was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and other educational institutions. On 30 July 1997, the School was incorporated as a private company limited by guarantee and was registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School (now to be called Merchant Taylors' Prep (MTP)) to form a combined Merchant Taylors' School (MTS) providing pupils with an all-through experience of education for boys aged 3 – 18. There is a single Board of Governors chaired by Duncan Eggar. The Head of MTP reports to the Head of MTS but in all educational matters the Senior and Prep Schools are largely independently run. Where appropriate, support services are shared.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 28 June 2018.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, an induction visit and an induction pack covering their responsibilities. Collective training is provided annually and individual training is made available to Governors, including conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year under the leadership of its Chairman, since 1 September 2020, Duncan Eggar. Financial performance is monitored by the Finance Committee, chaired by Andrew Moss. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Risk and Health & Safety (Alan Eastwood), IT (James Twining) and Support Staff (Sir Michael Tomlinson). An Estates Working Group, chaired since 2 September 2021 by Jason Oram, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Deepak Haria, provides strategic direction for fundraising and alumni activities.

Management and oversight (continued)

Day to day management of the School is delegated to the Head Master, Bursar and Head of Prep, supported by members of the Senior Leadership Team. The Clerk to the Governors coordinates the work of Governors and their Committees. All Trustees give freely of their time and no remuneration was paid during this period.

2.4 Group structure and relationships

The School has close links with St John's Preparatory School in Northwood, by virtue of common control, mutual support and shared financial administration. St John's is a private company limited by guarantee and a separate registered charity, which can be contacted at Potter Street Hill, Northwood, Middlesex, HA6 3QY (www.st-johns.org.uk).

3. CHARITABLE OBJECTS AND AIMS

3.1 Charitable objects

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 Vision, purpose, values and aims

Merchant Taylors' School is a community forged from innovation, bravery, confidence, inspiration and joy. We inspire a life-long love of learning and provide academic excellence. We have a culture of collaboration, coaching and challenge. We are brave in our pursuit of excellence: progress is driven by innovation and reflection.

The co-curriculum supports and enriches the academic curriculum through sports clubs, societies, trips and publications. The School celebrates and explores the relationship between academic excellence and co-curricular participation and maintains the balance between promoting excellence and wide participation.

Merchant Taylors' School provides co-curricular opportunities to develop the character of everyone in the school – pupils, teaching staff and support staff. All aspire to become well-rounded, charming, confident, enthusiastic and independent. We work as a team, creating lasting bonds within our community.

People at Merchant Taylors' School care for each other in a civilised, collaborative and respectful manner. That spirit creates a safe, inspiring and inclusive environment that promotes self-esteem. Our focus is upon the individual and the community: knowing and caring for everyone in the School, whether pupil, teaching or support staff, creating a place in which people feel they belong, having shared purpose and having a role to play. We use our strength to serve the wider community beyond the School. The School seeks to create an environment that is free from discrimination on any grounds, including colour, race, ethnicity, religion, gender, sexual orientation or disability.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are made available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through rigorous means testing. When required, further assistance is provided with additional expenses including activities, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances. Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance. Additionally, fee discounts are given in respect of sons of staff who meet the necessary academic standards.

During the year under review, the value of means tested bursaries totalled £1,103,984 and represented 5.5% of gross fee income at the Senior School. They provided assistance to 73 pupils of whom, 15 benefitted from full fee remission, this amounts to 5.2% of pupils on a full time equivalent basis. In addition, there are 158 pupils in receipt of scholarships, based on educational merit and potential, totalling £615,158 and representing 2.4% of gross fee income. The performance of pupils receiving scholarships is reviewed annually to ensure that their progress remains in line with their abilities. No scholarships were withdrawn during the year as a result of this review.

4. STRATEGIC REPORT (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 7 to 20)

4.1 Principal activities of the year 2020-2021

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. Average pupil numbers remained slightly above the budget level throughout the period with 926 boys (2020: 903 at the Senior School and 366 boys (2020: 363 at the Prep School ("MTP". The School continued to achieve high academic standards, whilst maintaining the outstanding level of pastoral care that underpinned all activities. Although constrained by Covid-19, the School continued to maintain strong links with the local educational and wider communities.

4.2 Objectives for the year 2020-2021

The School Governors, as the charity trustees, have complied with the Charities Act 2011 to have due regard to the Charity Commission's guidance concerning the operation of the public benefit requirements of the Act.

The School Improvement Plan ("SIP") provides a relevant and effective framework for the School's strategic goals. The updated SIP identified five clear objectives for development:

- Strengthening our links with local schools to identify opportunities for mutual support;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 COVID-19

The School re-opened on Monday 7 September 2020 following an extended period of closure due to Covid-19. School fees were frozen at previous levels, recognising the financial impact on many parents. In response to increased infection rates across the country, the Government imposed school closures from 5 January to 8 March 2021. Up to 122 staff who were no longer required to work, due to the lockdown, were furloughed and the School received a CJRS grant of £289,322 from HMRC to ensure that the School could continue to meet its payroll obligations and so remain open. Fee reductions were applied to Spring Term fees to reflect the different educational offering being experienced. Despite continued uncertainty surrounding fee income during this disrupted period, parents supported the School's financial commitments by paying fees as they fell due.

Emergency bursary support of £68,813 was provided to support parents who had suffered significant falls in their income, as a result of the pandemic and lockdown.

In response to Covid-19 the School implemented comprehensive risk mitigations which included enhanced cleaning measures, a one way system and social distancing between year group bubbles. External sports fixtures were suspended and the number of visitors to the School site was reduced as far as possible. Remote teaching and learning capabilities developed during the previous lockdown periods were further enhanced during the lockdown from January to March 2021.

The School has managed the impact of Covid-19 so far and the successful vaccination programme has reduced the future risks. The School will continue to monitor and adjust its financial plans as the impact of the global pandemic continues to unfold. The pandemic has increased the health, wellbeing, social and economic concerns for many pupils and parents and the School is committed to increasing support in these areas. Merchant Taylors' School has a strong balance sheet, positive cash flow and strong resolve to overcome the challenges presented by this global crisis.

4.4 Operational performance review 2020-2021

4.4.1 Academic

After the disruption of the previous months, the School re-opened its doors fully in September 2020, substantial health measures imposed to ensure the safety of staff and pupils. We established a system of year-group bubbles which allowed free circulation of pupils around the site within these groups and meant that no pupil missed out on the use of the specialist facilities. A strict distancing regime between pupils and staff was established, but with the leaps forward in the use of technology, staff were still able to review pupils' work in real-time and offer feedback to support progress.

In the Spring Term, the School was forced to revert to online lessons for 7 weeks. With the experience gained from the previous year, and with the roll out of Surface Pro devices to every teacher, this change was seamless and pupil-learning continued unhindered. Pupils returned to school in person from early March 2021. With public examinations again cancelled and a new system for determining Teacher Assessed Grades proposed, enormous amounts of time and resources were poured into making these a fair and accurate representation of the abilities of every single pupil.

Operational performance review 2020-2021 (continued)

The Teacher Assessed Grades which were submitted for GCSE, A Level and Pre-U examinations, together with the School Assessed Grades for IGCSE were evidence-based, meticulously checked internally, and externally scrutinised by the Pearson EdExcel exam board. Not one was changed. There were eight Stage 1 procedural checks requested against the outcomes and all eight were found to be correct. There were no Stage 2 appeals to the exam boards.

A Level & Pre-U

The A Level and Pre-U cohorts performed exceptionally well. Having been locked-down for much of the Spring and with a more focused course content, along with feedback half-way through, they were able to show themselves at their very best. Comparisons with 2020 and earlier years can be seen below, but in each case the system for determining grades was different and it is hard to compare meaningfully one with another. What we can say is that the boys did brilliantly and deserved the grades they got. Many boys produced stellar performances. Last year's numbers (including after Autumn retakes) are included for comparison 16 (14) boys received 4 A*s; 54 (35) boys were awarded 3 or more A*s; 85 (52) boys got 2 or more A*s; 118 (83) boys were given 1 or more A*.

A Level and Pre-U Results in overview (Cumulative percentages)

Result	A*	A	B	C	D	E
2021	**58.71**	**86.45**	**96.99**	**99.57**	**100.00**	**100.00**
2020	42.12	80.18	95.95	99.32	100.00	100.00
2019	33.71	76.40	91.46	97.98	99.33	100.00
2018	29.24	70.09	92.41	98.44	99.33	99.78
2017	31.68	68.53	87.58	96.69	98.76	99.38

GCSE Results

The GCSE results were also determined according to the Teacher Assessed Grades system, with results as follows. The same caveats and explanations as for A Level and Pre-U apply, which explain the higher-than-usual figures.

GCSE Results in overview (cumulative percentages)

Result	9 (A*)	9-8 (A*)	9-7 (A*-A)	9-6 (A*-B)	9-5 (A*-C)	9-4 (A*-low C)	9-3 (A*- D)
2021	**53**	**82**	**95**	**99**	**100**	**100**	**100**
2020	45	74	93	99	100	100	100
2019		66	88	97	100	100	100
2018		64	87	98	100	100	100
2017		65	89	97	100	100	100

Operational performance review 2020-2021 (continued)

As at A Level, the GCSE cohort performed magnificently. The number of 8-9 grades is particularly impressive, especially since this was a cohort who had never taken a formal examination, and whose trial examinations during the Divisions and Fifths had both been sat at home due to lockdowns.

Of 165 pupils in the year group:

- Well over half of the entries achieved a top grade of 9
- More than 80% of results were an A* grade
- More than 94% of results were an A*/A grade
- 17 students achieved the highest possible grade 9 in all subjects (10.3% of the cohort)
- 76 students achieved only grades 8 or 9, equivalent to an A* (46.1% of the cohort)
- 122 students achieved only grades 9-7, equivalent to A* or A grades (73.9% of the cohort)

4.4.2 Prep School Outcomes

At MTP, 27 pupils were offered places at the Senior School (including 3 Academic Scholarships, 5 Academic Exhibitions, 1 Sports Scholarship and 1 Music Exhibition). 2 places were offered at St Albans; 2 places at John Lyon and 1 place each at Haberdashers, Eton, Westminster, St Columba's College and Ealing Independent College.

4.4.3 University Admissions

Of the 144 leavers, 121 secured places at their first-choice university on Results Day. A further three accepted their insurance choice and nine were placed through Clearing. The remaining eleven students had not accepted a place for 2021, mostly because they were applicants for Medicine or Veterinary Science who had failed to secure offers and had chosen to apply post-results for 2022 entry.

The 2020-21 cohort made 718 applications to UK universities in this cycle and received 547 offers – a 76% success rate.

76% of our students are heading off to Russell Group universities. All six Oxford offers (plus two OMTs) and three Cambridge offers (plus one OMT) were met, meaning that 12 students are going to Oxbridge colleges this year.

Five students made successful applications for Medicine, three for Dentistry and one for Veterinary Science. Economics remains the most popular subject for MTS students at university, with 21 places on Economics-related courses; a further 12 students chose Business and Management courses.

The most popular destinations for leavers (in order of popularity) are as follows: Warwick, UCL, Imperial, KCL, Durham, LSE, Nottingham, Oxford.

Operational performance review 2020-2021 (continued)

4.4.4 Sport

Despite the challenges faced during the Covid- 19 lockdowns and the requirement to maintain social distancing, the School continued to ensure a broad spectrum of physical training and sport was available to students and staff.

At MTP, competitive sport was curtailed due to restrictions relating to the pandemic. Lack of fixtures against other schools did lead to increased teaching time and we were able to utilise this effectively to work on honing skills and levels of fitness for all pupils. During the second period of online learning, MTP used the 'PE Scholar' scheme to keep pupils active whilst learning from home and to help develop their skills further. When competitive sport resumed in the summer term of 2021, our Y6 cricketers won the Hertfordshire County Cricket Cup (this was the fourth successive victory for MTP).

At MTS, again due to Covid-19 restrictions, the School was unable to play any external competitive rugby fixtures but alternatives were introduced to ensure a broad array of options were available to allow students to continue to train and remain physically active. One such event was the Taylors' Ten – an internal, adapted rules touch tournament that linked to the history and heritage of Merchant Taylors, whilst providing a thoroughly modern rugby experience. To ensure as wide an audience as possible for the games, they were live streamed on YouTube, via a secure link. The School maintained its fine rugby tradition with the OMTs Sam Isaacs and Luke Parry representing Cambridge in the Varsity Match.

The second lockdown in the Spring Term disrupted the hockey season and the School pivoted to a first class online virtual hockey platform, which allowed boys to train regularly and also to compete against each other. This allowed for greater involvement by the boys and incremental improvement in their performance and sporting prowess.

The easing of Covid-19 restrictions during the Summer Term allowed for the resumption of competitive cricket with over 160 games being played against opponents as far afield as St. Albans, Berkhamsted, St. Paul's, Hampton and Dulwich.

The School reached three Middlesex Cup finals at U12, U14 and U15 levels with a reinvigorated U16 team playing against some of the cricketing schools in Tonbridge, Cranleigh, Hurstpierpoint and RGS Guildford.

Merchant Taylors' School was also chosen to host a four day County Championship game between Middlesex and Leicestershire, recognising the fine facilities at the School and the support from the Grounds' staff. The history of cricket at the School was evident in the continued representation of the MTS boys at Middlesex, Surrey, Berkshire, Buckinghamshire and Hertfordshire Cricket clubs.

Covid-19 restrictions also curtailed the tennis programme of the School, although the boys did manage to play a number of competitive fixtures against St. Albans, John Lyon and Westminster Schools.

To ensure a wide variety of activity was available to the boys during the lockdowns, the PE department provided all students with various live workouts which included Pilates, HITT, circuits and mindfulness.

Operational performance review 2020-2021 (continued)

4.4.5 Music

Despite the challenges presented by the Covid-19 pandemic, music continued to thrive at Merchant Taylors' Prep during 2020-2021. Concerts and events, while prohibited live, were held online; choirs and ensembles continued to rehearse in year group bubbles or were paused; music lessons were adapted to accommodate remote learning or teaching in non-specialist classrooms; and peripatetic instrumental and vocal lessons took place online.

As well as a robust programme of music teaching within the curriculum, almost half of pupils at MTP received individual music tuition on a wide range of instruments. 38 pupils passed music exams in the summer term, many with merits and distinctions, ranging from Prep Test to Grade 6.

Music at Merchant Taylors' Senior School faced an unprecedented challenge in the academic year 2020-2021, as the measures put in place for year group bubbles meant a complete reinvention of ensembles and a continuation of the online instrumental and singing tuition by the visiting music teachers.

Year-group ensembles were established, so that, whilst it was not possible for a Symphony Orchestra, Concert Band, or full Choir to exist, time and Covid safe rehearsal spaces were found for bespoke ensembles that, between them, catered to virtually the whole range of age and musical ability.

All performances were shared online, recorded, filmed and edited by the Music department. In the Autumn term, Music Scholars old and new recorded performances for a Virtual Scholars' Concert, the year-group Choirs recorded Carols for a Virtual Carol Service, and also for a Virtual Vernon Service. The U3rd Band even managed to perform in a year-group assembly. Another lockdown in December 2020 prevented a series of planned ensemble recordings to be made, but another opportunity to do so would be found later in the year.

The Spring term featured another virtual concert of solo performances with an online Informal Concert, and the Merchant Taylors' Young Musician of the Year, in conjunction with Merchant Taylors' Prep, was another successful online event, with one of the MTS visiting music teachers fulfilling the role of a remote adjudicator. Recordings were made in March for the Senior Music Competition, to be shared online in the Summer term, and the year ended with a virtual Music Week that included the Intermediate Music Competition, and two ensemble concerts featuring all of the year-group instrumental ensembles that had worked so hard throughout the year. We also celebrated former U6 student, Theo Berenzweig, becoming our latest successful recipient of an Oxbridge Choral Scholarship.

In the Summer term it was a huge delight to welcome back the visiting music teachers to teach face-to-face at School. The Covid-19 pandemic prevented live performance for the whole year, but a huge amount of music-making was still achieved at School, with 9 music events filmed and shared online in 2020-2021, reaching a wider audience than ever before.

Operational performance review 2020-2021 (continued)

4.4.6 Drama

With the continued disruption of Covid-19, felt throughout the British theatre industry, it was always going to be another tough season for the Drama department at MTP.

Nevertheless, the year started optimistically with an exciting programme of productions planned. Year 4 boys threw themselves enthusiastically into rehearsals for their musical production of 'Robin and the Sherwood Hoodies'. Meanwhile, rehearsals were well underway for our energetic and exhilarating Year 6 production of 'Blast Off – Mr Jones Goes To Jupiter!' Unfortunately, neither of these productions were performed live, due to the period of online learning which took place in the Spring term, but the process was very beneficial for all concerned.

During online learning, we still managed to hold our biannual Beale Clear Speaking Poetry Competition, which was produced online for the very first time. Every pupil throughout Years 3 to 8 was invited to select, practise and recite their own individual poem during remote Drama lessons and the competition finalists recorded their pieces for online judging. When school resumed again, the focus was ensuring that our Y8 pupils would be ready to perform the full text version of A Midsummer Night's Dream. Thankfully, restrictions were lifted sufficiently in the Summer term to enable live outdoor performances.

The Autumn term also saw our first set of LAMDA examinations in twelve months, when eleven Year 7 boys undertook their Grade 3 exams in "The Speaking of Verse and Prose". As ever, the boys rehearsed, recited and discussed two pieces of literature with an external examiner. Their examinations took place on screen as Remote Online Assessments, where the boys' hard work and talent was rewarded with a fantastic haul of 7 Merits and 4 Distinctions. As this unusual year drew to a close, we just had enough time during the final week of term to squeeze in two sets of LAMDA Communication examinations, with Year 7 boys receiving record-breaking hauls of 19 straight distinctions.

At the Senior School, this year began with an outdoor production of Victoria Baumgartner's Bard in the Yard, filmed professionally in the Head Master's Garden and shown to the MTS Community as a YouTube Premiere. As part of the project, pupils took part in a programme of after-school workshops on Characterisation, Exploring Shakespeare and The Actor and the Text. Boys also took part in workshops with Frantic Assembly, one of the UK's most successful theatre companies over Zoom. During the Spring Lockdown, boys turned their attention to the online Monologues Club and Competition with large numbers taking part. As part of the club, the boys enjoyed online sessions focused on writing a monologue and embedding preparation for the National Youth Theatre. Three MTS pupils won places in this prestigious company.

The return to in-person school saw the launch of the much-loved MTS Duologues Competition, with an outdoor performance in the Rose Garden. Preparations then began in earnest for the next major production, Macbeth.

Operational performance review 2020-2021 (continued)

4.4.7 Outdoor Education and Extra-curricular

For pupils in Nursery to Year 2, Forest School continued to be an important part of the provision at MTP, developing pupils' learning dispositions and their affinity for the outdoors.

As part of the Year 8 Leavers' Weekend, Y8 pupils attended bush craft activities and took part in an assault course at MTS, a fitting way to end their time at MTP.

AT MTS, the Outdoor Education Department provided opportunities to participate in adventurous pursuits beyond traditional Games options. During the School timetable, boys participated in rowing, sailing, kayaking, canoeing, stand-up paddle boarding, shooting, and mountain biking. After school clubs included kayaking, rowing, and wakeboarding. Regular kayaking, mountain biking and wakeboarding trips run over the weekends. Week long school holiday trips included a white-water kayak trip to Snowdonia and a surfing trip to Cornwall.

Due to the constraints of the pandemic, we only delivered the Duke of Edinburgh Bronze Award, with over 80 boys signing up to the programme. They all completed two one-day expeditions instead of camping overnight and elements of their Physical, Skills and Volunteering activities were significantly affected by the Covid restrictions.

The Combined Cadet Force (CCF) remains one of the most highly regarded, nationally. For the first time we had to train in year group bubbles with St Helen's cadets parading separately until the Summer of 2021. All of the national parade events and competitions were cancelled during the pandemic. However, CCF cadets have taken part in weekend and school holiday training exercises, as well as a week-long Adventurous Training summer camp to Wales, where they climbed, abseiled, went gorge-walking, white water rafting and wild camped overnight in the mountains.

4.4.8 Alumni relations

Alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School, and supported the career development of both OMTs and current pupils. Covid-19 restrictions on large gatherings during 2020 and 2021 led to the development of a programme of online events, providing continued opportunities for engagement and assistance with our careers programme, which complements our existing range of events at the School. The success of this online programme has been such that it will continue as part of our alumni offering in future.

4.4.9 Fundraising

The School seeks philanthropic funding from a variety of constituencies including: alumni; parents of school pupils; parents of alumni; friends of the School; corporates; and charitable trusts & foundations. Our approach to each constituency is considered and personal. The School acts in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and are committed to meeting high fundraising standards. The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

Operational performance review 2020-2021 (continued)

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community.

4.4.10 Infrastructure

Investment in infrastructure was paused during the School's immediate response to the Covid-19 crisis and was resumed in September 2020, as cash flow allowed.

By Christmas 2020, MTP had moved in to its new office/reception building, named the Francis Terry Building after the Founder of Northwood Prep (the original name of the Prep School). These new facilities include enhanced offices for administrative staff, a new and spacious medical centre, and increased number of meeting areas, including a conference room. More importantly, the Francis Terry Building provides the space and ability to receive visitors, as well as providing extra security. Despite the challenges of Covid-19, the project was completed on budget and opened in January 2021.

In the summer of 2021, MTP embarked on a cyclic programme of classroom refurbishment to enhance the learning spaces in the School. Six classrooms were updated, with a rolling programme planned for the remaining classrooms over the next few years. MTP is also investigating plans to increase the efficiency and flow of its car parks.

Other MTP investments included washroom refurbishment, safety improvements to clay tiled roofs, replacement guttering, electronic security gates and a visitor management system.

Refurbishment of the Senior School Biology Department was approved and completed successfully by August 2021. This included refurbishment of four laboratories and a new modular extension to provide two more. The corridors, prep room, staff offices and resource rooms were also refurbished. Despite significant challenges due to staff shortages during Covid-19 and disruption to the building supply chain, this project was completed successfully and on budget.

Work to reduce the School's carbon footprint included a reduction in the number of gas boilers across both sites together with improved efficiency. A programme to replace single glazed Crittal windows with double glazed units began in July 2021 and this rolling programme will continue to improve energy efficiency within the constraints of our Grade 2 listed status.

Eight electric vehicle charging points were installed, with capacity to expand to sixteen, as part of our commitment to sustainability. These proved popular with staff and parents and we anticipate that their usage will grow.

Operational performance review 2020-2021 (continued)

Other MTS investments included replacing underground main power supply cables to the site, replacing effluent pumps and life expired gas and water pipework to reduce the risk of failure. Looking ahead, the School is preparing plans for a five lane indoor cricket centre.

4.5 Public benefit and outreach

Public benefit has been integral to School life since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit in deciding which activities the School should undertake. In the year under review, we continued to make a full contribution to the academic vigour and breadth of UK society, its schools and universities.

As in the case of the previous reporting year, the restrictions relating to the pandemic meant that MTP could not continue with many of its public benefit and outreach work. However, MTP sponsored a local state primary school through a well-being audit programme (Invincible Me) and this sponsorship will continue through the next academic year.

At MTP, nearly £11,000 was raised by the School community via a variety of activities and for a range of charities. The main charitable activity was a memory challenge in aid of the Jinja Educational Trust which raised £9,950 (this figure included sponsorship from individual pupils plus additional donations from some families). The Jinja Educational Trust is a UK based charity that MTP has supported for many years. It raises funds for orphaned children and educational projects in Uganda. The involvement of MTP children in charitable giving has broadened their understanding of the world and the changes they can make. Visits by MTP teachers to Uganda to see and support the projects in action has helped the pupils to understand how their charitable endeavours have had a tangible impact. In addition, MTP supported the Movember Foundation, through our Bow-vember campaign whereby younger pupils wear a bow tie to school if they cannot grow a moustache, Royal British Legion for the poppy campaign, Comic Relief and the Captain Tom 100 Challenge.

The Senior School's Community Service team also had a successful, albeit challenging year. The student run Committee found ingenious ways of fundraising for a number of national charities including: The Lynda Jackson Macmillan Centre (a charity which supports those affected by cancer); and Age UK. The Charity Drive Team raised £6,000 through various organised activities including: mufti days, on-line gaming competitions, virtual quizzes. To enhance the boy's physical well being, and social interactions, the Committee organised Football and chess tournaments.

32 members of staff are heavily involved in the community and volunteer as governors at local primary schools and serve in scout or other local leadership roles.

Once schools were allowed to reopen after the lockdowns, the P.E. Department resumed teaching weekly swimming lessons in the Merchant Taylors' swimming pool to approximately 30 Year 3 boys and girls from St Mary's Primary School in Rickmansworth. The School provides transport and lunch for the learners.

Public benefit and outreach (continued)

Our Outdoor Education Department in conjunction with South Oxhey Sea Scouts supported Hertfordshire Fire and Rescue Service as role-playing casualties and safety cover for their annual water rescue exercises involving every crew across the County. We also ran stand-up paddleboarding experiences for students from the Royal Masonic School and St John's School.

Through the CCF contingent, we enabled the RAF's Airborne Delivery Wing to conduct a training exercise in the skies above the School and to land landing on the School Pitches. Parachute Jumping Instructors led a Royal Navy team in a low-level parachute insertion from a Chinook helicopter.

The Duke of Edinburgh (DofE) Award involves significant outreach to the local community through the Volunteering section. Participants from MTS dedicated many hours to volunteering as much as they could during the period under review, with a significant social value. The School lent the DofE tents to the Royal Masonic School to enable their DofE expeditions and to Oxhey Wood Primary School for their Year 6 overnight camping experiences.

Community access to facilities

The School continued to improve access for those with disabilities. The Biology Refurbishment included levelling and paved access to the main entrance and at the Prep School, the new School Office facility included a bespoke hygiene room to support disabled staff, pupils or visitors.

The School maintained its support to the local community by providing weekly access to around 2,000 members of the public drawn from at least 65 local sporting and social organisations of all age groups. Support to local primary schools continued, including St Mary's School in Rickmansworth. Activate Sports, Tendulkar Middlesex Global Academy, Vernon School of Cricket, Maximum Performances, The Hive and Future Star Education (Young Engineers) provided holiday activities for local children, utilising School Sports Pitches, the swimming pool, grounds and classrooms. South Oxhey Sea Scouts benefitted from using the MTS Lake and its surrounding area for scouting activities on Friday evenings. Chiltern Harriers Athletics Club trained on the athletics track on Thursday evenings and Saturday mornings. We supported Reddiford School and Croxley Danes School with PE lessons and afternoon games sessions; these included rugby, cricket, and rounders.

Middlesex Hockey continued to use the School during practice sessions and competitive matches against other counties. As a Regional High Performance Centre for England Hockey, the School hosted training evenings and weekend competitions for boys and girls of various age groups.

The School's strong partnership with Middlesex County Cricket Club continued and it was able to support a full summer of cricket which included Youth cricket, the Men's 1st & 2nd XI teams playing fixtures and, for the first time, we supported the Middlesex Ladies 1st XI Team with training and T20 fixtures. MTS held the annual Tendulkar Middlesex Global Academy on a slightly smaller scale over the summer, it was wonderful to see so many children benefitting from elite coaching at MTS.

Community access to facilities (continued)

The School continued to support the MOD by making available an occasional helicopter landing site to support VIP visits to the Northwood Base and the provision of a running track to support individual fitness tests. HMS Wildfire, the local Royal Navy Reserve unit, held their Annual Ceremonial Dinner at the OMT Clubhouse. The Rickmansworth Fire Department made use of the lake for training days with their fire crews.

The School views this high level of commitment to the local community as essential and intends to maintain it.

4.6 Financial review

During the year under review, the School's incoming resources were £26.0m (2020: £24.0m) and total charitable expenditure was £23.4m (2020: £22.4m), generating a surplus of £2.6m (2020: £1.5m). The principal source of income was School fees, which accounted for £23.4m (90%), (2020: £22.1m (92%)). £1.4m (2020: £0.2m) was raised through the Development Office for bursaries and School development. Governors maintained their strategy of investing all net incoming resources in the School's educational purposes and infrastructure.

During the year, the School increased expenditure on scholarships and bursaries to £2.0m (2020: £1.8m). Capital expenditure of £1.9m (2020: £2.5m) and revenue expenditure of £1.1m (2020: £0.6m) were invested in the School infrastructure. At the Senior School, this included completion of a new block to accommodate two additional Biology Laboratories, improved Green Waste recycling, and upgrading IT equipment. At the Prep School, classrooms were refurbished, improvements were made to site security and the new School Office opened. This strong financial performance continued to be underpinned by a high demand for pupil places and carefully controlled expenditure.

4.7 Going concern

The School operates as a going concern with net cash flows from operating activities of £4.5m (2020: £2.8m).

4.8 Reserves policy

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £4.5m). On 31 August 2021 free unrestricted reserves were £3.9m (2020: £3.0m). These are defined as unrestricted funds, less both fixed assets and permanent endowment, adding back any outstanding loans. The reserves policy and its calculation are monitored by the Finance Committee and updated annually. Future development plans will be funded by a combination of cash flow, borrowing and fundraising.

Total reserves as at 31 August 2021 were £43.2m (2020: £39.5m), of which £2.0mk relates to Restricted funds (2020: £801k) and £2.1m to the Endowment Fund (2020: £1.7m). Unrestricted reserves totalled £39.0m (2020: £37.0m), of which £9.9m was designated for various purposes, as outlined in Note 15 to the accounts.

4.9 Risk management

Governors have ensured that an appropriate risk identification and management framework has been maintained throughout the year. The pandemic dominated risk management throughout this period, with a Covid-19 risk assessment reviewed and updated weekly by the Senior Leadership Team, amendments being from time to time endorsed by Alan Eastwood and the Chairman of Governors. This allowed the School to remain open, with the exception of the Government mandated lockdown period from 5 January to 8 March 2021.

The Risk Management Committee has a membership drawn from both sites and reviews emerging risks and updates the MTS Risk Register, in order to identify the likelihood and impact of foreseeable risks to the School's operations. As the Governor responsible for Risk Management, Alan Eastwood attends all meetings, ensuring that the Governing Body is updated when required. The Risk Register is scrutinised by the School's Finance Committee at least annually, before the key strategic risks are reviewed by Governors.

The key risks and vulnerabilities identified during this period were: Fire, Cash Flow, Cyber-security, and Safeguarding. Governors have applied a range of measures to manage and mitigate these risks.

A fire risk assessment was conducted across the Senior and Prep School sites and all action points identified in the subsequent fire risk action plan have now been completed. Fire awareness training was delivered to all staff via Educare during the Spring Term and Fire Wardens received specific training from an external training provider. The fire alarm system is tested weekly and Fire Wardens conduct weekly inspections of their designated areas.

In response to the cash flow risk during Covid-19 the Finance Team introduced weekly cash flow forecasts to ensure that liquid assets remained adequate to meet all liabilities for at least one term. This was supported by the School's reserves policy and a pre-arranged overdraft facility with Barclays Bank, which was not required during this period. This risk was monitored by the Chairman of the Finance Committee.

MTS experienced a ransomware cyber attack during the year which was contained, but it, and the continuing threat of further cyber attacks led the School to restructure the IT Team and to invest in training, engaging commercial IT and cyber-security partners. The network has been reinforced with end point detection and response software, new firewalls and off site back up. Regular penetration testing is conducted to identify weak points and take remedial action. James Twining has been appointed as the Governor to support the IT Steering Group and to provide direction as necessary.

The School continues to implement the Safer Recruiting Action Plan to ensure that all appointments comply with Keeping Children Safe in Education and meet the ISI regulatory requirements. Safer Recruitment Training is provided to ensure that all interview panels have include at least one qualified member of staff. All personnel files are inspected by the Bursar (or Head of MTP) for compliance before contracts are signed and staff are included on payroll.

Emerging threats include: the levy of VAT on school fees; removal of charitable relief on business rates; and increasing costs of the Teachers' Pension Scheme. Governors are monitoring these issues regularly, so that the School can respond to any changes.

4.10 Remuneration policy

The MTS Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the Senior Leadership Team. The Remuneration Committee considers the external environmental factors, which influence recruiting and retention, alongside other relevant issues. These include reference to independent benchmarking surveys, including Haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are presented to the main Governing Body for consideration and endorsement, before being implemented from the following September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles. Following an external review of teaching remuneration, a new teaching salary scale was introduced in September 2017.

Following the salary freeze in September 2020, the Remuneration Committee was able to award a baseline salary increase for teaching and support staff to offset the impact of inflation with effect from September 2021.

4.11 Investment policy

The MTS Investment Committee, chaired by Andrew Moss, reviews the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the apportionment of cash, bonds and equities is reviewed in the light of external events and adjusted as necessary. The School aims to protect its capital from inflation and market volatility, whilst building designated and endowment funds to support future bursary and other requirements.

As the vaccination programme led to a strong recovery in the financial markets, the Investment Committee increased the portfolio exposure to equities and reduced the cash element of the School's investments during this period. The Investment Committee will continue to review asset allocation with its advisors, as the world recovers from the global pandemic.

4.12 **Future plans**

Merchant Taylors' School, Northwood aims to be the independent day school of choice for boys aged 3-18 in the North West London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- be mindful of our historic charitable foundation and promote wider public benefit in our activities;
- ensure an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;
- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will benefit from the all-round education that we offer and achieve great things;
- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;
- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;
- remain a competitive fee-paying school in the independent sector;
- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School.

There is a phased outline plan to meet these objectives.

4.13 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the educational needs of the boys first, invest in the staff and support the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries in connection with the Covid-19 pandemic; capital expenditure management and the optimisation of remote learning.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in the Strategic Report, which can be found at section 4.1 - 4.12. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.9 of the Strategic Report.

Our environmental, social and governance practices are described in section 4.5 (Public benefit and outreach) and the extent of bursarial support for pupils whose families are unable to pay the School fees are primarily set out at section 4.6 (Financial review). For the second year, Merchant Taylors' School is reporting key energy and carbon usage information and this can be found in section 4.14 (Environmental performance). This area of ESG reporting will, no doubt, develop over time.

4.14 Environmental Performance

Under the Energy and Carbon Report Regulations 2018, the School is required to report on the environmental impacts of the organisation. The key environmental impacts for Merchant Taylors' School are gas and electricity consumption at both the Senior and the Prep Schools and the vehicles used across both sites. The methodology used to establish the Streamlined Energy and Carbon Reporting (SECR) Protocol applies the 2021 Government Emission Conversion Factors for Greenhouse Gas Company Reporting. The intensity ratio has been calculated per pupil and Full Time Equivalent (FTE) and is based on total emission divided by all FTE staff and pupils per school.

The categories/scope per emission grouping are defined as:

- Scope 1 refers to direct business greenhouse gas emissions generated including from furnaces or heating equipment;
- Scope 2 covers indirect emissions from electricity, which a firm needs, but which come from sources not under the control of the School including power stations; and
- Scope 3 covers emissions (not classed as Scope 2) that are a consequence of our actions, but are not under the control of the School.

During the year to August 2021, the School was subject to a Covid-19 lockdown from December 2020 to March 2021. As a direct result of the lock down and the resulting reduction in catering, meals were served in disposable containers which could not be recycled.

On reopening after the lockdown, the School returned to a zero landfill policy and will re-instate its recycling procedures.

As the School approached the cold winter season, the requirement for ventilation in classrooms and communal areas due to Government Covid-19 guidance meant that heating was largely ineffectual and emissions will no doubt be significantly more in the next reporting period.

As per requirements, the School has initiated reporting on Propane and Water usage, as these have now been included in the reporting process. New water/plumbing restrictions have been installed throughout the School and water leak repairs are addressed throughout the year.

The School continued to seek ways to reduce emissions and has installed electric vehicle charging points this year, improved the Building Management System and installed more energy efficient boiler plant. In addition, a pool cover, new plant and Air Handling Unit systems to the swimming pool were installed, these have significantly reduced operating costs and emissions.
The numbers reported here meet the Emission regulations and refer to consumption on site, rather than the total impact on the environment and exclude, for example, energy consumed by pupils and staff travelling to and from their homes. The School's total carbon emissions based on latest reporting requirements were 3,338.85 (2020: 1,378.55 based on the much more limited number of required categories) metric tonnes, which can be broken down as follows:

	MERCHANT TAYLORS` SENIOR SECR		Emissions calculation per CO2e
Energy Source	**Consumption**	**Scope**	**2021**
Gas – total kWh (kilowatt-hours) from gas bills	4,330,635 kWh (gross CV (calorific value))	Scope 1	**793.t**
Electricity – total kWh electricity bills	1,223,719 kWh	Scope 2	**259.83t**
Transport – Mini-bus	26,958 miles	Scope 1	**12.37t**
Business travel land (average car)	2,615 miles	Scope 3	**0.71t**
Business travel land (taxi)	32 km	Scope 3	**0.0048t**
Business travel land (rail)	174 km	Scope 3	**0.026t**
Hotel Stay	13.9 kgCO2e	Scope 3	**0.0139t**
Diesel (100% mineral diesel)	18,825 l	Scope 1	**509.3t**
Propane – Total Litres	13,558 l	Scope 1	**20.9t**
Water Supply	18, 984 m3	Scope 3	**2.83t**
Water Treatment	15, 630 m3	Scope 3	**4.25t**
Waste Disposal - Metal	0.583t	Scope 3	**12.41t**
Waste Disposal – WEEE Mixed	1.79t	Scope 3	**38.12t**
Waste disposal -Batteries	0.355t	Scope 3	**7.56t**
Waste Disposal – Paper and board: mixed	4.360t	Scope 3	**92.8t**
Waste Disposal - Glass	0.432t	Scope 3	**9.2t**
Waste Disposal –Refuse /Commercial and industrial waste	63.3t	Scope 3	**1,347.9t**
Waste Disposal - Paper	6.3t	Scope 3	**134.15t**
Total			**3,245.51t**
Intensity ratio	Emissions data (tCO2e) per pupil &FTE		**2.7t CO2e per pupil & FTE**

MERCHANT TAYLORS` PREP SECR			Emissions calculation per CO2e
Energy Source	**Consumption**	**Scope**	**2021**
Gas – total kWh (kilowatt-hours) from gas bills	151,711kWh	Scope 1	**27.78t**
Electricity – total kWh electricity bills	200,389 kWh	Scope 2	**42.5t**
Water Supply	1,853 m3	Scope 3	**0.276t**
Water Treatment	1,735 m3	Scope 3	**0.504t**
Transport – Mini-bus	14,287 miles	Scope 1	**4.01t**
Waste Disposal – Refuse/Commercial and industrial waste	39t	Scope 3	**18.21t**
Waste Disposal – Paper and board: mixed	1.88t	Scope 3	**0.04t**
Total			**93.34t**
Intensity ratio	Emissions data (tCO2e) per pupil and FTE.		**0.202t CO2e per pupil & FTE**

Whilst both Senior and Prep Schools pursue similar environmental policies with regard to energy consumption, they occupy different sites in terms of scale, construction method, pupil numbers, staff numbers and operating hours. These differences are reflected in the intensity ratios above.

Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Disability statement

The Company continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The Company provides equal opportunities to all staff on the basis of objective criteria and personal merit.

Auditors

Saffery Champness LLP, Chartered Accountants, have indicated their willingness to continue in office.

By order of the Board

D G M Eggar
Chairman
Date 26 January 2022

Independent auditors' report
For the year ended 31 August 2021

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2021 which comprise statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's state of affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- and the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 25, the trustees (who are also 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales. Further, the charitable company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, through significant fine, litigation or restrictions on the charitable company's operations. We identified the most significant laws and regulations to be the Independent School Standards as found in the Education and Skills Act 2008 and guidance issued by the Department for Education.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the

financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.
A further description of our responsibilities is available 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.

Cara Turtington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 31 January 2022

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

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2021

	Notes	Unrestricted Unrestricted funds	Designated funds	Restricted funds	Endowment funds	2021 Total funds	2020 Total funds
		£	£	£	£	£	£
Income from:							
Charitable Activities							
School fees	2	23,446,472	-	-	-	**23,446,472**	22,136,119
Registration/admissions Fees	3	131,813	-	-	-	**131,813**	138,571
Other charitable activities - Insurance	3	8,381	-	-	-	**8,381**	12,227
- Rents received	3	251,083	-	-	-	**251,083**	244,388
- Government grants	3	-	-	289,322	-	**289,322**	909,909
- Other	3	97,872	-	-	-	**97,872**	86,099
Other trading activities Donation from MTSEL	3	104,075	-	-	-	**104,075**	56,826
Investments	3	1,797	41,198	36,117	-	**79,112**	130,683
Donations & legacies Donations	3	-	-	230,353	-	**230,353**	85,157
Development campaign Income	3	47,185	-	1,347,828	10,500	**1,405,513**	243,134
Total income:		24,088,678	41,198	1,903,620	10,500	**26,043,996**	24,043,113
Expenditure on:							
Raising funds							
Alumni Relations and Development		190,544	-	2,424	-	**192,968**	229,847
Investment management		-	10,315	7,710	-	**18,025**	14,850
Financing costs		11,511	4,267	-	-	**15,778**	26,820
		202,055	14,582	10,134	-	**226,771**	271,517
Charitable activities							
School and grant making		22,335,420	189,884	694,792	-	**23,220,096**	22,221,677
Total expenditure	5	22,537,475	204,466	704,926	-	**23,446,867**	22,493,194
Net income/(expenditure) before investment gains		**1,551,203**	**(163,268)**	**1,198,694**	**10,500**	**2,597,129**	1,549,919

Statement of financial activities (continued)
For the year ended 31 August 2021

	Notes	Unrestricted Unrestricted funds £	Unrestricted Designated funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Net gains on investments		-	657,850	46,766	392,301	**1,096,917**	198,205
Net income		1,551,203	494,582	1,245,460	402,801	**3,694,046**	1,748,124
Transfers	8	(1,874)	1,874	-	-	-	-
Net movement in funds		**1,549,329**	**496,456**	**1,245,460**	**402,801**	**3,694,046**	1,748,124
Fund balances at 31 August 2020		27,610,493	9,430,366	800,814	1,703,660	39,545,333	37,797,209
Fund balances at 31 August 2021	14	**29,159,822**	**9,926,822**	**2,046,274**	**2,106,461**	**43,239,379**	**39,545,333**

Summary Income and Expenditure Account

	2021 £	2020
Total income	**26,033,496**	24,036,058
Total expenditure	**23,446,867**	22,493,194
Unrealised/realised gains and losses	**704,616**	157,952
Net income for the year	**3,291,245**	1,700,816

All amounts relate to continuing operations.

The notes on pages 34 to 57 form part of these financial statements.

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Balance Sheet
As at 31 August 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible fixed assets	6		33,657,981		33,334,517
Investments	7		7,556,653		5,919,464
Fees In Advance Investments	7		-		143,346
Current assets					
Stocks	9	22,395		47,914	
Debtors	10	354,733		405,358	
Cash at bank and in hand		6,321,623		4,748,981	
		6,698,751		5,202,253	
Current liabilities					
Creditors: due within one year	11	(3,923,143)		(4,227,894)	
Net current assets			2,775,608		974,359
Total assets less current Liabilities			43,990,242		40,371,686
Creditors: due after more than one year	12		(750,863)		(826,353)
Total net assets			43,239,379		39,545,333
Unrestricted funds	15		39,086,644		37,040,859
Restricted funds	16		2,046,274		800,814
Endowment	17		2,106,461		1,703,660
Total funds			43,239,379		39,545,333

The financial statements were approved by the Governors on 26 January 2022 and were signed on their behalf by:

D G M Eggar
Director

A G Moss
Director

Company Registration No. 3411540
The notes on pages 34-57 form part of these financial statements.

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Cash flow statement
For the year ended 31 August 2021

	Notes	£	2021 £	£	2020 £
Net cash flows from operating activities	18		**4,513,670**		2,766,664
Cash flows from investing activities					
Investment income		**79,112**		130,683	
Purchase of property, plant and equipment		**(1,932,670)**		(2,533,003)	
Proceeds from sale of investments		**2,701,842**		1,767,185	
Purchase of investments		**(3,769,628)**		(2,021,910)	
Net cash used in investing activities			**(2,921,344)**		(2,657,045)
Cash flows from financing activities					
Movement in final deposits		**(66,800)**		(20,400)	
Repayment of interest on loans		-		(15,830)	
Repayments of borrowing		**(529,725)**		(66,517)	
Net cash used in financing activities			**(596,525)**		(102,747)
Change in cash and cash equivalents in the reporting period			**995,801**		6,872
Cash and cash equivalents b/f	19		**5,426,446**		5,419,574
Cash and cash equivalents c/f at 31 August	19		**6,422,247**		5,426,446

The notes on pages 34-57 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statement are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places, the School's projected cash flows and impact of Covid-19, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 25.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128 year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

Accounting policies (continued)

1.3 **Depreciation**

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

Building and leasehold improvements	- 70% charged over 50 years, 30% charged over 20 years – the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	- over 10 or 20 years
Machinery and motor vehicles	- over 4 years
Computer hardware	- over 4 years

Depreciation is not charged on assets under construction or freehold land.
Individual items costing less than £500 are written off as an expense, as acquired.

1.4 **Current assets**

Stocks consist of textbooks and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

1.5 **Fees and similar income**

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

1.6 **Donations, legacies, grants and other voluntary income**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.7 **Investments and investment income**

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

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

Accounting policies (continued)

1.8 **Expenditure**

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings, either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.9 **Pensions**

The School's teaching staff are members of the Teachers' Pension Scheme (England and Wales) (TPS) operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is an unfunded multi-employer scheme governed by The Teachers' Pension Regulations 2010 (as amended) and the Teachers' Pension Scheme Regulations 2014 (as amended). Individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. As required by FRS 102, the School accounts for this scheme as if it were a defined contribution scheme. During the year, an optional defined contribution pension scheme was developed and made available to any member of staff with effect from 1 September 2021. The TPS continues to be available to teaching staff.

The group personal pension plan for eligible support staff which operated during the year under review is detailed in note 20. The associated pension contributions costs are charged to the Statement of Financial activities as incurred.

1.10 **Rental income**

Rental income is accounted for on a receivable basis.

1.11 **Fund accounting**

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:

(i) Permanent Endowed Funds
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds.

Accounting policies (continued)

1.12 **Operating leases**

Rentals payable are charged on a time basis over the lease term.

1.13 **Taxation**

The School is a registered charity and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.14 **Debtors**

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

1.15 **Cash at bank and in hand**

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

1.16 **Creditors**

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

1.17 **Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 **Critical accounting judgement and estimates**

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

- Accruals are estimates as costs that will be incurred based on contractual requirements
- For depreciation, estimates are driven by the useful economic life of the associated assets
- For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School Fees

	2021	2020
	£	£
The School's fee income comprised:		
Gross fees	25,789,646	25,157,268
Less: 2021 Spring term discounts	(715,679)	(1,444,842)
Less: Total bursaries, grants and allowances	(2,032,965)	(1,829,328)
	23,041,002	21,883,098
Add back: Scholarships, grants and allowances paid for by restricted funds held by MT Company and MTET	405,470	253,021
	23,446,472	22,136,119

3. Other income

	2021	2020
	£	£
Other educational charitable activities		
Registration fees	115,663	112,971
Admission fees	16,150	25,600
	131,813	138,571
Other charitable activities		
Insurance	8,381	12,227
Rents receivable	251,083	244,388
Deposits forfeited, fees in lieu, music income and other misc. income	97,872	86,099
MTSEL donation	104,075	56,826
Government grants	289,322	909,909
	750,733	1,309,449
Investment income		
Bank interest	850	22,016
Investment income	77,315	98,519
Interest on late fees	947	10,148
	79,112	130,683

3. Other income (continued)

	2021	2020
	£	£
Donations		
MT Company Donation	42,550	56,994
Scholarship Income	8,267	28,163
MTET Endowment Fund	179,536	-
Other donations	-	-
	230,353	85,157
Development campaign income	1,405,513	243,134
	1,635,866	328,291

Government grants of £289,322 (2020: £909,909) comprise monies received from HMRC in relation to the Coronavirus Job Retention Scheme.

4. Expenditure

	2021	2020
	£	£
Support costs of schooling included:		
Auditors' remuneration for audit services	26,850	24,000
Auditors' remuneration for other services	-	3,942
	26,850	27,942
Total staff costs comprised:		
Wages and salaries	12,583,098	12,159,692
Social security costs	1,299,690	1,248,520
Pension contributions	2,351,130	2,284,946
Termination costs	80,498	-
	16,314,416	15,693,158

4. Expenditure (continued)

Employees

The average number of employees in the year was 363 (2020: 369) of which 152 (2020: 149) were teaching staff.

The number of higher paid employees was:	2021	2020
£60,001 - £70,000	33	35
£70,001 - £80,000	13	7
£80,001 - £90,000	4	4
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	2
£190,001 - £200,000	1	1

Fifty of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme - employer contributions paid at the rate of 23.68% of salary) and four employees had benefits accruing in the Group Personal Pension Plan (with employer contribution paid at 14% of salary).

The key management personnel of the School comprise the Head Master, the Bursar and the Senior Leadership Team. Their combined contractual benefits totalled £1,503,124 (2020:£1,465,123)

Governors' remuneration

No Governor nor persons connected with them, received any remuneration in the year ended 31 August 2021 (2020: Nil) and Governors are not included in the number of persons employed given above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2021 £
Raising funds				
Financing costs/bank interest	-	15,778	-	15,778
Investment management	-	18,025	-	18,025
Development office	177,726	12,818	-	190,544
	177,726	46,621	-	224,347
Charitable activities				
Teaching	12,574,150	1,297,413	-	14,157,943
Welfare	720,638	378,891	-	1,099,529
Premises	1,118,120	2,968,965	850,912	4,937,997
Support costs of schooling	1,723,823	423,420	568,410	2,429,273
School's operating costs	16,136,731	5,068,689	1,419,322	22,624,742
Bursaries paid for by restricted funds	-	405,470	-	405,470
Alumni Relations and Development	-	2,424	-	2,424
OMT sports facilities	-	-	189,884	189,884
	-	407,894	189,884	597,778
Total expenditure	16,314,457	5,523,204	1,609,206	23,446,867

Analysis of total expenditure (continued) - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2020 £
Raising funds				
Financing costs/bank interest	-	26,820	-	26,820
Investment management	-	14,850	-	14,850
Development office	160,704	40,520	-	201,224
	160,704	82,190	-	242,894
Charitable activities				
Teaching	11,939,676	1,198,657	-	13,138,333
Welfare	524,625	340,226	-	864,851
Premises	906,027	2,748,980	790,819	4,445,826
Support costs of schooling	1,252,217	604,027	563,608	2,419,852
School's operating costs	14,622,545	4,891,890	1,354,427	20,868,862
Bursaries paid for by restricted funds	-	1,162,930	-	1,162,930
Alumni Relations and Development	-	28,623	-	28,623
OMT sports facilities	-	-	189,885	189,885
	-	1,191,553	189,885	1,381,438
Total expenditure	**14,783,249**	**6,165,633**	**1,544,312**	**22,493,194**

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2021
	£	£	£	£
Costs or revaluation				
1 September 2020	41,945,184	1,778,947	7,787,734	51,511,865
Additions	219,985	1,257,161	461,524	1,938,670
Transfers	1,778,947	(1,778,947)	-	-
Disposal	(6,000)	-	-	(6,000)
31 August 2021	**43,938,116**	**1,257,161**	**8,249,258**	**53,444,535**
Depreciation				
1 September 2020	12,786,083	-	5,391,265	18,177,348
Charge for year	1,040,796	-	568,410	1,609,206
31 August 2021	**13,826,879**	**-**	**5,959,675**	**19,786,554**
Net book value				
31 August 2021	**30,111,237**	**1,257,161**	**2,289,583**	**33,657,981**
31 August 2020	29,159,101	1,778,947	2,396,469	33,334,517

Of the total net book value of land and buildings included above, £8,394,498 is freehold (£2,900,000 land) and £21,716,738 is leasehold.

7. Investments

	2021	2020
	£	£
Investment in subsidiary	100	100
Investment portfolio	7,556,553	5,919,364
Fees In Advance Investments	-	143,346
	7,556,653	6,062,810

Fees in Advance investments were transferred into the designated, unrestricted Durrants Fund during the year and were managed on a combined basis.

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2021	2020
	£	£
Gross profit	181,666	220,504
Gross expenditure	(77,591)	(163,678)
Net surplus before donating to MTS	**104,075**	56,826

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2020: £100).

	Quoted Investments
	£
Investments at 31 August 2021 were:	
Fixed Interest	114,252
Overseas Bonds	-
UK Equities	123,200
UK Investment Companies	1,989,115
Overseas Investment Companies	4,367,733
Private Equity	4,360
Alternatives	857,269
Cash	100,624
	7,556,553

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2021	2020
	£	£
Designated Funds:		
Transferred to/(from) Unrestricted Funds re Housing Fund	6,999	(15,417)
Transferred to / (from) Fees in Advance	(5,125)	-
Net transfer to/(from) Designated funds	**1,874**	(15,417)

9. Stocks

	2021	2020
	£	£
Consumables (including textbooks)	16,212	33,797
Goods for resale	6,183	14,117
	22,395	47,914

10. Debtors

	2021	2020
	£	£
Trade/fee debtors	54,252	22,093
Amounts owed from Related Undertakings (See Note 23)	108,453	64,236
Prepayments and accrued income	112,464	81,715
Other debtors	79,564	237,314
	354,733	405,358

11. Creditors: due within one year

	2021	2020
	£	£
Amounts due to Related Undertakings (See Note 23)	-	14,426
Bank loans and overdrafts	-	529,725
Final term deposits	89,200	75,200
Trade creditors	375,481	78,106
Accruals	1,193,021	1,461,487
Exam deposits and Autumn term pre-payments	1,956,388	1,700,216
Other deferred income	1,150	12,791
Fees In Advance Scheme	116,790	134,171
Other creditors	191,113	221,772
	3,923,143	4,227,894

12. Creditors: due after more than one year

	2021	2020
	£	£
Final term deposits		
Within 1 to 2 years	71,200	66,000
Within 2 to 5 years	247,100	247,900
After 5 years	264,400	335,600
	582,700	649,500
Fees In Advance:		
Within 1 to 2 years	128,111	136,927
Within 2 to 5 years	40,052	39,926
After 5 years	-	-
	168,163	176,853
	750,863	826,353

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2020	311,024
New contracts	104,558
Discounts	4,176
	419,756
Amounts utilised in payment of fees	(134,803)
Balance as at 31 August 2021	**284,953**

14. Analysis of net assets

	Fixed assets and investments	Current assets	Current liabilities	Long term liabilities	Total 2021
	£	£	£	£	£
Unrestricted and designated funds	39,108,173	4,652,477	(3,923,143)	(750,863)	**39,086,644**
Restricted funds	-	2,046,274	-	-	**2,046,274**
Permanent endowment funds	1,547,690	-	--		**1,547,690**
Expendable endowment funds	558,771	-	-	-	**558,771**
Total	**41,214,634**	**6,698,751**	**(3,923,143)**	**(750,863)**	**43,239,379**

Analysis of net assets of the funds - previous year

	Fixed assets and investments	Current assets	Current liabilities	Long term liabilities	Total 2020
	£	£	£	£	£
Unrestricted and designated funds	37,693,667	4,401,439	(4,227,894)	(826,353)	37,040,859
Restricted funds	-	800,814	-	-	800,814
Permanent endowment funds	1,224,762	-	-	-	1,224,762
Expendable endowment funds	478,898	-	-	-	478,898
Total	39,397,327	5,202,253	(4,227,894)	(826,353)	39,545,333

15. Analysis of unrestricted funds

	Balance 2020	Income/gain	Expenditure	Transfers between funds	Balance 2021
	£	£	£	£	£
Undesignated:					
General Reserves	27,611,797	24,088,678	(22,537,475)	(1,874)	29,161,126
Designated:					
Housing Fund	61,456	-	-	6,999	68,455
Pension Fund	121,580	-	-	-	121,580
Bursary Fund	603,671	22,073	-	-	625,744
OMT Asset Fund	4,714,634	-	(189,884)	-	4,524,750
Durrants Fund	3,906,623	676,975	(10,315)	-	4,573,283
Fees In Advance Scheme	21,098	-	(4,267)	(5,125)	11,706
	9,429,062	699,048	(204,466)	1,874	9,925,518
Total	**37,040,859**	**24,787,726**	**(22,741,941)**	**-**	**39,086,644**

Analysis of unrestricted funds – previous year

	Balance 2019	Income/gain	Expenditure	Transfers between funds	Balance 2020
	£	£	£	£	£
Undesignated:					
General Reserves	25,986,181	22,737,939	(21,096,906)	(15,417)	27,611,797
Designated:					
Housing Fund	46,039	-	-	15,417	61,456
Pension Fund	121,580	-	-	-	121,580
Bursary Fund	601,577	2,094	-	-	603,671
OMT Asset Fund	4,904,519	-	(189,885)	-	4,714,634
Durrants Fund	3,702,084	212,969	(8,430)	-	3,906,623
Fees In Advance Scheme	19,673	1,425	-	-	21,098
	9,395,472	216,488	(198,315)	15,417	9,429,062
Total	35,381,653	22,954,427	(21,295,221)	-	37,040,859

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Pension Fund

Historically the designated Pension Fund had been set up to fund the School's share of the deficit in the Merchant Taylors' Company Pension Scheme. During 2013 the Trustees completed a buy-out with Aviva Plc. and the School entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund is being maintained with a view to meeting any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011, the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge in the accounts of £189,884 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities. Included within the Durrants Fund, is a revaluation reserve totalling £1,111,312 in relation to fixed asset investments.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2020 £	Incoming resources £	Resources expended £	Balance 2021 £
General donations	292,278	102,002	(278,261)	116,019
Government grants	-	289,322	(289,322)	-
	292,278	391,324	(567,583)	116,019
Development Fund				
Bursary	433,674	544,283	(135,343)	842,614
Sports, art and school campus	19,261	14,779	(2,000)	32,040
Capital projects	55,601	1,000,000	-	1,055,601
	508,536	1,559,062	(137,343)	1,930,255
Total	800,814	1,950,386	(704,926)	2,046,274

During 2020-2021, the School received £289,322 restricted funds from HMRC in the form of Government grants in relation to the Coronavirus Job Retention Scheme.

Analysis of restricted funds – previous year

	Balance 2019 £	Incoming resources £	Resources expended £	Balance 2020 £
General donations	320,224	85,157	(113,103)	292,278
Government grants	-	909,909	(909,909)	-
	320,224	995,066	(1,023,012)	292,278
Development Fund				
Bursary	376,008	217,435	(159,769)	433,674
Sports, art and school campus	25,552	8,901	(15,192)	19,261
Capital projects	37,420	18,181	-	55,601
	438,980	244,517	(174,961)	508,536
Total	759,204	1,239,583	(1,197,973)	800,814

17. Analysis of endowed funds

Fund:	Balance 2020 £	Income/gains £	Expenditure £	Balance 2021 £
Permanent Endowment	1,224,762	322,928	-	**1,547,690**
Expendable Endowment	478,898	79,873	-	**558,771**
Total	1,703,660	**402,801**	-	**2,106,461**

Analysis of endowed funds – previous year

Fund:	Balance 2019 £	Income/gains £	Expenditure £	Balance 2020 £
Permanent Endowment	1,196,426	28,336	-	1,224,762
Expendable Endowment	459,926	18,972	-	478,898
Total	1,656,352	47,308	-	1,703,660

The Permanent Endowment was initiated in 2009 when the School launched its "Forward To Our Roots" initiative. The income from this Fund is available to fund bursaries. The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	**3,694,046**	1,748,124
Depreciation	**1,609,206**	1,544,311
(Gains) on investments	**(1,002,898)**	(276,935)
Investment income	**(79,112)**	(130,683)
Increase / (Decrease) in operating creditors and accruals	**216,284**	(413,050)
Decrease in debtors	**50,625**	304,849
Decrease / (Increase) in stocks	**25,519**	(9,952)
Net cash flow from operating activities	**4,513,670**	2,766,664

19. Net debt reconciliation

	At 1 September 2020	Cash Flows	Other non cash changes	At 31 August 2021
Cash and cash equivalents				
Cash at bank and in hand	4,748,981	1,572,642	-	**6,321,623**
Cash at investment managers	677,465	(576,841)	-	**100,624**
	5,426,446	995,801	-	**6,422,247**
Loans falling due within one year	(529,725)	529,725	-	-
Total	**4,896,721**	**1,525,526**	-	**6,422,247**

Net debt reconciliation – previous year

	At 1 September 2019	Cash Flows	Other non cash changes	At 31 August 2020
Cash and cash equivalents				
Cash at bank and in hand	4,448,659	300,322	-	4,748,981
Cash at investment managers	970,915	(293,450)	-	677,465
	5,419,574	6,872	-	5,426,446
Loans falling due within one year	(499,281)	66,517	(96,961)	(529,725)
Loans falling due after more than one year	(96,961)	-	96,961	-
Total	4,822,858	73,389	-	4,896,721

20. Pension costs

Teaching staff

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 £1,896,104 (2020: £1,826,242) and at the year-end £nil (2020 - £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 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%.

Pension costs (continued)

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 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 government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

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 and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

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 the cost cap mechanism revision is completed 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.

Non-teaching staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School,

Pension costs (continued)

subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to 2021: £459,185 (2020:£458,093).

21. Capital commitments

Capital expenditure contracted but not provided for in the financial statements for the School, totalled £558,739 (2020: £1,906,210).

22. Other financial commitments

At 31 August 2021, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	**118,626**	120,679
Between 2 and 5 years	**451,773**	458,243
In over 5 years	**12,673,628**	12,785,748

23. Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

MTET approved the appointment of the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company. The balance outstanding from MTET at the year-end was £Nil (2020: £Nil).

23.2 Merchant Taylors' School Enterprises Limited (MTSEL) – Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The results of this Company for the year were satisfactory, given the adverse impact of Covid-19. The profit donated to the School was £104,075 (2020: £56,826). The balance outstanding from MTSEL at the year end was £105,213 (2020: £63,166).

Related party transactions (continued)

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance payable to Merchant Taylors' Company in respect of these services at the year end was 2021: £3,000 receivable (2020: £14,426).

The Merchant Taylors' Company owns the original land and buildings from which the School operates. The School currently has a 128 year lease from 16 March 2011, at a current annual rent of £112,156 (2020: £112,156) to be subject to review. No amount was outstanding at either the 2021 or 2020 year end.

23.4 Merchant Taylors' School and St John's School, Northwood are connected by common administration. Some non-teaching staff of Merchant Taylors' School perform similar duties for St John's School. An annual management fee for this service is charged to St John's, which amounted to 2021: £70,000 (2020: £65,000) for the year ended 31 August 2021, and the balance due from St John's School was £240 (2020: £1,070) at the year end.

23.5 Governors do not receive any remuneration but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £1,068 (2020: £1,330) paid to three (2020: three) Governors.

The total amount of donations received from the Governors during the year was £50 paid by one Governor (2020: £675) (paid by three Governors), of which £0 was restricted to the Bursary Fund (2020: £nil).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, £3,429 was receivable from The Old Merchant Taylors' Society (2020: £ nil).

24. Comparative information

	Unrestricted funds £	Unrestricted Designated funds £	Restricted funds £	Permanent endowment funds £	2020 Total funds £
Income from:					
Charitable activities					
School fees	22,136,119	-	-	-	**22,136,119**
Registration/admissions Fees	138,571	-	-	-	**138,571**
Other charitable activities					
- Insurance	12,227	-	-	-	**12,227**
- Rents received	244,388	-	-	-	**244,388**
- HMRC		-	909,909	-	**909,909**
-Other	86,099	-	-	-	**86,099**
Other trading activities					
Donation from MTSEL	56,826	-	-	-	**56,826**
Investments	32,164	58,536	39,983	-	**130,683**
Donations & legacies					
Donations	-	-	85,157	-	**85,157**
Development campaign income	31,545	-	204,534	7,055	**243,134**
Total income:	**22,737,939**	**58,536**	**1,239,583**	**7,055**	**24,043,113**
Expenditure on:					
Raising funds					
Alumni Relations and Development	201,224	-	28,623	-	**229,847**
Investment management	-	8,430	6,420	-	**14,850**
Bank interest	26,820	-	-	-	**26,820**
	228,044	**8,430**	**35,043**	-	**271,517**
Charitable activities	20,868,862	189,885	1,162,930	-	**22,221,677**
Total expenditure	**21,096,906**	**198,315**	**1,197,973**	-	**22,493,194**
Net income/(expenditure)	**1,641,033**	**(139,779)**	**41,610**	**7,055**	**1,549,919**

Comparative information (continued)

	Unrestricted			Permanent	2020
	Unrestricted funds £	Designated funds £	Restricted funds £	endowment funds £	Total Funds £
Net gains on investments	-	157,952	-	40,253	198,205
Net income	1,641,033	18,173	41,610	47,308	1,748,124
Transfers	(15,417)	15,417	-	-	-
Net movement in funds	1,625,616	33,590	41,610	47,308	1,748,124
Fund balances at 31 August 2019	25,984,877	9,396,776	759,204	1,656,352	37,797,209
Fund balances at 31 August 2020	27,610,493	9,430,366	800,814	1,703,660	39,545,333

MERCHANT TAYLORS SCHOOL

England & Wales - Charity number 1063740

Accounts

Company Registration No. 03411540 (England and Wales)
Charity Registration No: 1063740

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Report and financial statements for the year ended 31 August 2020

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Contents

	Page
Reference and administration	1
Governors' report (incorporating the Strategic Report)	2-21
Independent auditors' report	22-24
Statement of financial activities	25-26
Balance sheet	27
Cash flow statement	28
Notes to the financial statements	29-53

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Reference and Administration
For the year ended 31 August 2020

Governors

The Governors of Merchant Taylors' School are Directors of the Charitable Company ('the Company') and Trustees of the Charity ('the Charity').

Mr C P Hare (Chairman) (resigned 31/08/2020)
Mr D G M Eggar (Chairman) Eur.Ing, C.Eng, MICE, BSc, FRSA (appointed 01/09/2020)
Mr R J Brooman, MA, FCA
Dr J M Cox, BSc, PhD
Cdre A Cree, CBE Royal Navy (appointed 01/09/2020)
Mr G B M H du Parc Braham MA, MPhil
Mr A Eastwood, BComm, ACA
Mr D Haria, FCA
Mrs S Morgan, BA (Hons), MA, FCIPD
Mr A G Moss, FCA
Miss Lucinda Orr, M.A. (Oxon), M.St. (Oxon), Barrister-at-Law (Gray's Inn) (appointed 01/09/2020)
Mrs J K M Redman, LL.B (Hons)
Mr D J Shah, OBE, MSc, FRSA
Mr R-J Temmink QC, FCIArb (resigned 23/07/2020)
Sir Michael Tomlinson, CBE, FRSA
Mr James Twining, BA

Head Master	Mr S J Everson, MA
Bursar and Company Secretary	Mr I D Williams BSc (Hons), MBA
Contact address and registered office	Merchant Taylors' School Sandy Lodge Northwood HA6 2HT Website www.mtsn.org.uk
Registered numbers	Company registration number 03411540 Charity registration number 1063740
Bankers	Barclays Bank PLC 62-64 High Street Watford Herts WD17 2BT
Solicitors	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

1. INTRODUCTION

The Governors of Merchant Taylors' School present their annual report and audited financial statements of the Charity for the year ended 31 August 2020. The financial statements comply with the Companies Act 2006, Charities Act 2011, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Merchant Taylors' School ("the School" or "MTS") was founded in 1561 by the Merchant Taylors' Company, one of the Great Twelve City of London Livery Companies. In 1933, the School moved to its present site at Sandy Lodge in Northwood. In 1967, the Merchant Taylors' Company appointed the Merchant Taylors' Educational Trust ("MTET"), a charitable trust set up for educational purposes, to take over the governance of Merchant Taylors' School and other educational institutions. On 1 August 1997, the School was incorporated as a private company limited by guarantee and was registered as a charity, taking over the business, assets and liabilities of Merchant Taylors' School. On 15 October 2015, the School merged with Northwood Prep School to form a combined Merchant Taylors' School, providing pupils with an all-through experience of education for boys aged 3 – 18.

2.1 Governing document

Merchant Taylors' School is governed by its Articles of Association, which were last updated on 28 June 2018.

2.2 Recruitment and training of governors

There shall be at least six and a maximum of twenty Governors. New Governors are provided with the Articles of Association, an induction visit and an induction pack covering their responsibilities. Collective training is provided annually and individual training is made available to Governors, including conferences, training courses and briefing papers.

2.3 Management and oversight

The Governors, who are also the Charity trustees, are responsible for the overall management and control of the School. The Board of Governors meets at least three times a year under the leadership of its Chairman, since 1 September 2020, Duncan Eggar. Financial performance is monitored by the Finance Committee, chaired by Andrew Moss. The Education Committee, chaired by Jane Redman, steers the management of teaching and learning across the School. Individual Governors hold specific responsibility for Child Protection (Sarah Morgan), Health & Safety (Alan Eastwood) and Support Staff (Sir Michael Tomlinson). An Estates Working Group, chaired by Guy du Parc Braham, provides strategic direction on the maintenance and development of the School buildings and grounds. A Development and Alumni Relations Committee, chaired by Deepak Haria, provides strategic direction for our fundraising and alumni activities.

Management and oversight (continued)

Day to day management of the School is delegated to the Head Master, Bursar and Head of Prep, supported by members of the Senior Leadership Team. As Clerk to the Governors and Company Secretary, the Bursar coordinates the work of Governors and their Committees. All Trustees give freely of their time and no remuneration was paid during this period.

2.4 **Group structure and relationships**

The School has close links with St John's Preparatory School in Northwood, by virtue of common control, mutual support and shared financial administration. St John's is a private company limited by guarantee and a separate registered charity, which can be contacted at Potter Street Hill, Northwood, Middlesex, HA6 3QY (www.st-johns.org.uk).

3. CHARITABLE OBJECTS AND AIMS

3.1 **Charitable objects**

The objects of the School are to advance education by providing and maintaining in the United Kingdom or elsewhere a boarding or day school or schools for the education of children or young persons.

3.2 **Vision, purpose, values and aims**

Merchant Taylors' School is a community forged from innovation, bravery, confidence, inspiration and joy. We inspire a life-long love of learning and provide academic excellence. We have a culture of collaboration, coaching and challenge. We are brave in our pursuit of excellence: progress is driven by innovation and reflection.

The co-curriculum supports and enriches the academic curriculum through sports clubs, societies, trips and publications. The School celebrates and explores the relationship between academic excellence and co-curricular participation and maintains the balance between promoting excellence and wide participation.

Merchant Taylors' School provides co-curricular opportunities to develop the character of everyone in the school – pupils, teaching staff and support staff. All aspire to become well-rounded, charming, confident, enthusiastic and independent. We work as a team, creating lasting bonds within our community.

People at Merchant Taylors' School care for each other in a civilised, collaborative and respectful manner. That spirit creates a safe, inspiring and inclusive environment that promotes self-esteem. Our focus is upon the individual and the community: knowing and caring for everyone in the School, whether pupil, teaching or support staff, creates a place in which people feel they belong, have shared purpose and have a role to play. We use our strength to serve the wider community beyond the School. The School seeks to create an environment that is free from discrimination on any grounds, including colour, race, ethnicity, religion, gender, sexual orientation or disability.

3.3 Bursary and scholarship policies

Governors are committed to broadening access to the School by offering means tested bursaries to boys, whose families would otherwise be unable to afford the fees. In addition to bursary income drawn from charitable endowments and fundraising, Governors strike a balance between bursary beneficiaries and other fee-paying parents, many of whom make considerable sacrifices to support their child's education.

Bursaries are made available to boys who meet the School's entrance requirements and awards of between 5% and 100% of tuition fees are determined through rigorous means testing. When required, further assistance is provided with additional expenses including activities, trips and uniforms. Hardship bursaries are awarded to parents of existing pupils, whose continued education is jeopardised by a change in financial circumstances. Scholarships are awarded for excellence, as stipulated by donors and irrespective of parental income. In addition to fee discounts, recipients participate in a broad Scholars' Enrichment Programme, as do bursary holders, when merited by their performance.

During the year under review, the value of means tested bursaries totalled £1,003,314 and represented 4.0% of gross fee income. They provided assistance to 85 pupils, of whom 13 benefitted from full fee remission. In addition, there are 161 pupils in receipt of scholarships based on educational merit and potential, totalling £490,866 and representing 2.0% of gross fee income. The performance of pupils receiving scholarships is reviewed annually to ensure that their progress remains in line with their abilities. No scholarships were withdrawn during the year as a result of this review.

4. STRATEGIC REPORT (incorporating Operational Performance Review, Financial Review, Reserves Policy, Risk Management Review and Future Plans on pages 5 to 19)

4.1 Principal activities of the year 2019-20

Educational activities were carried out as an independent day school for boys from the age of 3 to 18. Average pupil numbers remained slightly above the budget level throughout the period with 903 boys (2019: 908) at the Senior School and 363 boys (2019: 360) at the Prep School ("MTP"). The School continued to achieve high academic standards, whilst maintaining the outstanding level of pastoral care that underpinned all activities. The School continued to develop strong links with the local educational and wider communities.

4.2 Objectives for the year 2019-20

The School Improvement Plan ("SIP") provides a relevant and effective framework for the School's strategic goals. The updated SIP identified five clear objectives for development:

- Developing our links with local schools;
- Consolidation of progress made in self-evaluation and teaching;
- Excellence in academic and pastoral matters;
- Improvement of facilities; and
- Outward Facing Work (marketing, alumni and admissions).

4.3 COVID-19

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, had an immediate substantial adverse effect on financial markets and travel restrictions were implemented across the world. Market activity was negative in many sectors and schools were closed in England from 21 March 2020 until the start of the autumn term 2020.

The School continued to operate, delivering top quality online education through remote teaching and learning. Summer term fees were reduced by 15% - 50% depending on year group to support affordability and parents responded by continuing to provide the School with adequate fee income to sustain operations. Emergency bursary support of £65,917 was provided to parents who had suffered significant falls in their income, as a result of the pandemic and lockdown. It was further agreed not to increase school fees from September 2020. Actions were taken to contain costs and to take advantage of government support schemes. In particular, a number of staff were placed on furlough and £909,909 was received, during the period under review, from HMRC in respect of the Coronavirus Job Retention Scheme

The School has managed the initial impact of COVID-19, but further risks remain. The School will continue to monitor and adjust its financial plans as the impact of the global pandemic continues to unfold. The pandemic gives rise to many health, social and economic concerns. Merchant Taylors' School has a strong balance sheet, positive cash flow and the resolve to overcome the challenges presented by this global crisis.

COVID-19 presents a continuing threat to the School, the impact of which is hard to assess. In response, the School has implemented comprehensive risk mitigations which include rigorous cleaning measures, a one way system and social distancing between year group bubbles. External sports fixtures have been suspended and the number of visitors to the school site has been reduced as far as possible. Remote teaching and learning capabilities developed during the summer term lockdown period have since been further enhanced, to respond to any future requirements. These have been proved necessary in lockdown immediately after the Christmas break.

4.4 Operational performance review 2019-20

Academic

COVID-19 forced the School to close its doors in March 2020 and become a 'virtual school', with the exception of children of key workers. Lessons were taught online according to the normal timetable with teachers using Microsoft Teams to deliver lessons, and assess pupil work. Students benefitted from top quality online learning, while teaching staff enhanced their technology skills considerably in lieu of public examinations, the School was required to determine 'Centre Assessment Grades' for pupils in Years 11 and 13, based on the professional experience and judgement of teachers, who made the best determination of the results that pupils would have attained in formal examinations. It was expected that results would be broadly comparable with previous years. The School established a comprehensive process to guide teachers and Heads of Department, including the Head of Learning Support and Head of Examinations, which ensured that grades were determined in a fair and rigorous manner.

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Operational performance review 2019-20 (continued)

Following a change in Government policy during August, the School's recommendations to exam boards were accepted and pupils were awarded those grades. As a consequence, all boys achieved excellent results, which reflected their ability and remained well above national expectations.

A Level & Pre-University

The A Level and Pre-U cohorts performed exceptionally well. Without the vagaries and quirks of odd questions and challengeable marking, the results provided a fair reflection of pupil attainment. Results compared favourably with previous years, reflecting the academic ability of this particular cohort. Following a voluntary review of the School's methodology, Ofqual described this as a 'robust and well-worked out approach'.

	*A**	*A*- A*	*A* - B*	*A* - C*	*A* - D*	*A* - E*
2020	*42%*	*80%*	*96%*	*99%*	*100%*	*100%*
2019	*34%*	*76%*	*92%*	*98%*	*99%*	*100%*
2018	*31%*	*71%*	*93%*	*98%*	*99%*	*100%*
2017	*32%*	*69%*	*88%*	*97%*	*99%*	*99%*
2016	*33%*	*67%*	*87%*	*97%*	*100%*	*100%*
2015	*30%*	*71%*	*92%*	*98%*	*100%*	*100%*

Our pupils have excelled; in a year group of 137 pupils:

- 8 boys were awarded 4 A* grades;
- 24 boys achieved 3 A* or more;
- 39 2A* or more;
- 65 1A*or more.

GCSE and IGCSE

The GCSE and IGCSE results were excellent and compare favourably with recent years. These grades, determined by teachers this year, represent the fairest estimates of the results that would have been achieved during formal examinations.

Operational performance review 2019-20 (continued)

	A (9-8)*	*A*- A (9-7)*	*A*- B (9-6)*	*A* -C (9-5)*	*A*- D (9-4)*	*A*- E (9-3)*
2020	*74%*	*93%*	*99%*	*100%*	*100%*	*100%*
2019	*66%*	*89%*	*97%*	*100%*	*100%*	*100%*
2018	*64%*	*87%*	*98%*	*100%*	*100%*	*100%*
2017	*65%*	*89%*	*97%*	*99%*	*100%*	*100%*
2016	*62%*	*87%*	*97%*	*99%*	*100%*	*100%*
2015	*62%*	*87%*	*98%*	*100%*	*100%*	*100%*

19 pupils achieved grade 9s in each of their 10 GCSE subjects, representing 12% of the total cohort. We assessed that none fell below a C grade, using old terminology.

Prep School Outcomes

At MTP, 23 boys were offered places at the Senior School (including 3 academic scholarships, 5 exhibitions, 1 sports scholarship, 1 art scholarship and 1 drama scholarship), 2 went to John Lyon (with 1 drama scholarship), and 1 went to Harrow (with 1 music scholarship).

University Admissions

Applications for university were disrupted this year. Following the initial award of grades, many excellent students missed out on places that they deserved. When the grades were changed by the Government, some pupils met the conditions of their offers but found that their places had already been filled. A number were admitted subsequently, whilst others must wait until next year.

The headlines from our 137 applicants were:

- 99 will attend their first choice of university (2 with revised course offers)
- 18 will attend their second choice of university (2 with revised course offers)
- 11 found places in Clearing
- 2 rejected all offers despite meeting the conditions, in order to reapply next year for a change of course
- 4 are holding 'delayed confirmation firm' offers, conditional on their Autumn A Level examination results.
- 3 remain in Clearing and will sit A Level examinations in either the Autumn series or Summer 2021.

All 11 U6 students holding Oxbridge offers were accepted:

- Cambridge: 3
- Oxford: 8

Operational performance review 2019-20 (continued)

In total, 80% of our U6 graduates were placed at Russell Group universities, a figure which rises to 88% when we include Loughborough, St Andrews and Bath – all excellent institutions for the courses selected.

The most popular institutions for our recent leavers were as follows:

- Warwick 15
- Nottingham 14
- Bristol 10
- Durham 9
- LSE 8
- Oxford 8
- UCL 7

Sport

Despite the disruption during COVID-19, the School continued to provide a broad sporting programme with over twenty options from which boys could select. During lockdown, the School pivoted to online provision, exploiting Microsoft Teams to deliver both live and pre-recorded training sessions for the boys to do at home. Other online applications included Train Heroic and Strava, which exploited competitive instincts and allowed the boys to compete remotely. The year ended with a virtual 'House Sports Week' providing every boy with the opportunity to compete in a 'decathlon' by sending video clips of ten different challenges.

In Rugby, the 1st XV produced the only invicti season in the School's history following a roller coaster journey of nail biting games. The floodlit match against Reading Blue Coat School during Rugby Week was one of the most memorable, with over 250 spectators cheering the team to victory. The under 16 team benefited from their training with the senior squad and enjoyed a season undefeated.

Rugby Week again provided one of the highlights of the Autumn Term. 26 matches were played under lights, providing every boy with the opportunity to play in this memorable event.

Eighteen boys achieved representative academy honours, including Aaron Florestein, who was named in the England U17 Rugby training squad.

In Hockey, the 1st XI was undefeated and showed excellent form before the season was cut short by COVID-19. Highlights included competitive matches against Eton, The Perse and Magdelen College. The U16's cup team enjoyed an impressive National Cup run, which was cut short in the 5th round by COVID-19. The U14's had a memorable season and were crowned County Champions, with wins over Eton, Felsted and Magdelen College School.

The junior hockey matches against Reed's School during the Autumn Term provided every Year 7 pupil with the opportunity to represent the School in a competitive fixture, which is an important part of the sporting ethos at Merchant Taylors. The School continues to develop young players and there are some exciting prospects for the future.

Operational performance review 2019-20 (continued)

Sadly, COVID-19 coincided with the Summer term cricket season, yet the School ran a virtual cricket programme with 300 boys engaging in weekly online sessions. County cricket resumed during the summer holidays and forty boys participated, including ten boys in the full Middlesex player pathway.

In Fives, although the season was curtailed by COVID-19, it included three fixtures against Winchester, Christ's Hospital and Rugby. In Judo, the team returned from the HMC Independent School Boys Judo Tournament with seven bronze medals and one silver.

Music

Although the programme of musical concerts was curtailed by the COVID-19 lockdown, much had been achieved beforehand.

The new Music Scholars excelled in their annual concert and the Chamber Choir performed the repertoire from their Italy Tour. Music Scholars saw the London Schools Symphony Orchestra perform at the Barbican (with three MTS members of this premiere London Youth Orchestra for school-aged musicians). All of the large ensembles performed in the Autumn Concert and soloists were given the opportunity to perform in an Informal Concert. The growing cohort of organists experienced a once in a lifetime performance of La Révolte des Orgues at Westminster Cathedral, a piece for nine organs that is very rarely performed.

Scheduled musical events continued with the Remembrance Service and the Carol Service, which featured the School Choir, Chamber Choir, Thomas White Singers, the Vocal Group and the Parents' Choir. The Chamber Choir sang for the Merchant Taylors' Company during the Vernon Service. The Thomas White Singers entertained guests at Doctors' Dinner at Merchant Taylors' Hall, and the School Choir and Chamber Choir sang for the Doctors' Day assembly. There was time to sing carols for the Sandy Lodge Golf Club and the School was honoured to sing at the memorial service of OMT Herbert Hacket in Emmanuel Church, Northwood, who had died shortly before his 100th birthday.

Two internal Music Competitions were held successfully; the Merchant Taylors' Young Musician of the Year and the Senior Music Competition. The annual Chamber Music Concert provided excellent preparation for the MTS ensembles participating in the South East Schools' Chamber Music Competition. Over 150 pupils from local Prep Schools attended the Prep School Orchestra Afternoon, run by the Music Department during the Spring Term Field Day. The Merchant Taylors' Hall Concert at the beginning of March took place amidst growing uncertainty and the final live event of the year was the organ recital at St Lawrence, Jewry on 17th March 2020.

The COVID-19 lockdown prevented both the Joint Concert and the Spring Spectacular, but the School's transition to online education inspired an enthusiastic virtual concert, broadcast on the MTS YouTube channel.

Operational performance review 2019-20 (continued)

Drama

This year saw a magnificent production of Les Misérables School Edition, produced by the combined efforts of Music and Drama at MTS. This was a huge triumph for all involved, including the girls in the cast from St Helen's School and our visiting instrumental teachers who played in the orchestra. The musical was performed in the Great Hall over three nights in November to full houses. The fabulous senior cast from MTS and St Helen's received rave reviews, a standing ovation at every performance and will be remembered for some time at Merchant Taylors.

Back in the Studio Theatre, the younger pupils starred in Willy Russell's poignant comedy, Our Day Out, which was brilliantly received by the Lower School year groups, who provided an enthusiastic captive audience. Boys from all year groups were involved in the highly competitive MTS Duologues Competition and the MTS House Drama took on a newly devised format this year, providing a real highlight of the year for many. In March 2020, Drama moved online with the inaugural MTS Monologues Competition and Talking Theatre at Taylors. In addition, two MTS Actors were accepted into the prestigious National Youth Theatre.

At MTP, successful productions took place at Christmas 2019 for our youngest pupils and those in Years 3 and 4 performed a great musical (Pirates of the Curry Bean). Sadly, lockdown meant that the Y6 production of Holes and the Y8 production of Around the World in 80 days could not take place.

Outdoor Education and Extra-curricular

The Outdoor Education Department provided opportunities to participate in adventurous pursuits beyond traditional games options. During the School timetable, boys participated in rowing, sailing, kayaking, canoeing, stand-up paddleboarding, shooting, mountain biking, and climbing. After school clubs included kayaking, beginner skiing, advanced ski racing, wakeboarding and waterskiing. School holiday trips included a ski trip to Les Deux Alpes, France, and a surf trip to the Island of Fuerteventura in the Canaries. Regular kayaking and mountain biking trips occurred at weekends, alongside our other adventurous activities.

The Duke of Edinburgh programme continued to thrive, with boys taking part in Bronze, Silver and Gold award levels. The Combined Cadet Force (CCF) remains one of the most highly regarded, nationally. For many years ours has been the only Cadet Force in the country to be invited by the Australian and New Zealand High Commissions to parade through London at the Cenotaph on ANZAC Day and attend the Gallipoli Association Remembrance Service. A team from the Army section are regular finalists in the Guthrie Cup competition held amongst all London CCFs. CCF cadets also took part in an Adventurous Training summer camp, where they climbed, abseiled, went gorge-walking, white water rafting and wild camped overnight in the mountains.

Operational performance review 2019-20 (continued)

Alumni relations

Alumni support embraces all former pupils (OMTs), providing opportunities for sport, social gatherings, networking, mentoring and business affinity groups. The programme has drawn former pupils back to the School, and supported the career development of both OMTs and current pupils. Due to the COVID-19 restrictions on large gatherings during 2020, we have developed a programme of online events, providing continued opportunities for engagement and assistance with our careers programme.

Fundraising

The School seeks philanthropic funding from a variety of constituencies including: alumni; parents of school pupils; parents of alumni; friends of the School; and charitable trusts & foundations. Our approach to each constituency is considered and personal. We act in accordance with the Code of Fundraising Practice set out by the Fundraising Regulator and are committed to meeting high fundraising standards. The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications thereof on their fundraising activities.

The School raises money for bursaries, providing free and reduced fee places for applicants whose families are unable to afford the full fee. We also seek to raise money for capital projects, which benefit the School and wider community.

In August 2020 we became the first English school to run a telephone fundraising campaign entirely remotely. Our alumni and parents gave generously to bursaries and other projects, such as our Primary School outreach programme. A record amount of £161,000 was raised or pledged.

Infrastructure

Investment in infrastructure was interrupted by COVID-19 and firm cash flow control was required. However, existing contractual commitments made before the lockdown were delivered successfully, despite the difficulties presented by the pandemic.

The new Geography Building was brought into full use during the year and proved to be a superb space for teaching and learning, supported by virtual reality equipment. The Jon Gabitass Room was refurbished to provide the School's main meeting room, supported by web based facilities to facilitate remote conferences. The Careers Department was refurbished to provide additional work space and meeting areas to support pupil requirements.The first phase of a rolling programme to improve Biology facilities was completed during the summer, providing refurbished laboratories on the ground floor, together with a staff office and prep room. A service lift was installed to support the safe movement of chemicals to the first floor. Staff welfare facilities were improved with a refurbished WC area on the North Corridor. The old Surgery was converted to provide an occasional overnight facility for visitors and currently provides the School's COVID-19 isolation area.

Operational performance review 2019-20 (continued)

Despite the restrictions during lockdown, general maintenance of the site continued, with roof works, installation of improved air circulation systems, repointing and sewage pump servicing. A specific programme of COVID-19 specific works including sanitisation, one way systems, ventilation and infection control prepared the School for re-opening in September 2020.

At MTP, work continued through lockdown on the new Reception Building which is due to be completed by the end of 2020. This new building will provide a considerably enhanced medical centre, as well as upgraded and consolidated office spaces, a conference room and meeting rooms. In addition, the inner quad play area at the Manor was improved with a rubberised play surface and new ramps to improve access from the classroom areas.

The School continued to prepare plans for possible future projects, including a five lane indoor cricket centre, indoor sports refurbishment and a performing arts centre. These plans will be brought forward for implementation when they become affordable.

4.5 Public benefit and outreach

Public benefit has been integral to School life since the Merchant Taylors' Company founded the School in 1561. During their strategic planning, Governors considered the Charity Commission's general guidance on public benefit, in deciding which activities the School should undertake. This year, we continued to make a full contribution to the academic vigour and breadth of UK society, its schools and universities.

COVID-19 provided a unique opportunity for the School to make a direct contribution to the community. In response to the national shortage of PPE, our Design, Technology & Engineering department began producing face shields for local NHS staff. Demand outstripped supply until a BBC News report led to Merchant Taylors' alumnus, Jonathan Duck, Chief Executive of leading flooring material company, Amtico, offering his company's factory as a bulk assembly site for components. The Design Centre, until then a place of learning and experimentation by pupils, became a manufacturing centre and assembly line. This initiative met the urgent requirements of local doctors, nurses and pharmacists, including many OMTs working in the front line of the fight against COVID-19. The group of manufacturers soon widened to create a coalition of local schools. By the end of the period under review, the School had produced 12,000 face shields, and enabled others to produce an additional 9,000. When the School closed and teaching moved online, it donated stocks of other PPE equipment including gloves and goggles to local hospitals at the height of the pandemic.

Public benefit and outreach (continued)

MTS continues to develop strong links with local primary schools. MTS Sixth Formers mentored primary pupils in a range of subjects and areas of interest. This included one-to-one weekly mentoring of boys at Greenfields School, helping their reading. MTS boys established a choir of 30 at Bushey Heath School, who performed for their whole school at Christmas, and at a care home in the local area. They provided weekly technology lessons at lunchtimes, including video technology and editing masterclasses. At Eastbury Farm Primary School we set up two coding days, giving 45 members of their Year 5 the opportunity to learn basic coding language and apply it to different scenarios, such as controlling a robot.

Our P.E. Department taught weekly swimming lessons to Year 3 boys and girls from St Mary's Primary School in the Merchant Taylors' swimming pool. We hosted two primary schools at our Mathematics Challenge and provided transport for the pupils. MTP staff trained a staff member at St Peter's Primary School to become a fully qualified Forest School leader. St Peter's does not have access to woodland, so we have made provision for them to visit the School site using the MTP minibus for transport.

MTP welcomed Year 6 pupils from St Peter's School to an Artsmark and Holocaust education drama production and workshop courtesy of Trestle Theatre Company (The Rachel Project). In November 2019, MTP purchased fiction books for St Peter's School library after hosting a talk and book signing by the children's author, Cressida Cowell.

The Community Service team enjoyed a productive year. The annual Harry Potter theme days allowed six different local primary schools to visit the School and enjoy a full day of Harry Potter themed activities arranged by MTS boys. The pupils ran a weekly woodland school where the local prep school students would visit on a weekly basis and carry out a woodland school theme activity. Support Staff and Teachers are heavily involved in the community and volunteer as governors at local primary schools and serve in scout or other local leadership roles.

Alongside fundraising, the School seeks to raise social awareness among pupils to imbue the desire to make the world a better place, which will endure well beyond their time at Merchant Taylors' School. Our Charity Drive team raised £8,000 through a series of activities in support of three main charities during the year. The first is the Lynda Jackson Macmillan Centre, a local charity that provides support and information for those affected by cancer. The second is Centrepoint, a charity who provide homeless young people with accommodation, health support and life skills to get them back into education, training and employment. The last is Age UK Hertfordshire, a local charity that promotes the wellbeing of older people. Fundraising activities not only raised valuable funds for these charities, but also established strong relationships with them. The main event of the year, with Centrepoint in mind, was a sleep-out in late February, which saw over 50 boys and staff spend a night sleeping rough. In addition, our eight houses have raised money for Action for Children by hosting breakfasts.

Public benefit and outreach (continued)

The Merchant Taylors' Combined Cadet Force (run in partnership with St Helen's School) raised funds for the Not Forgotten Association, the national charity that supports ex-servicemen. Our Duke of Edinburgh Scheme remains popular and involves significant outreach to the local community. During the year, the Duke of Edinburgh Award participants provided hundreds of hours of volunteering in our local community. Music is an enduring feature of fundraising activity at MTS, especially for Phab, an inspiring charity at the heart of school life for the past 50 years. Last year's Year 13 musicians organised a 24 Hours of Music, which raised £4,000.

The School's site at Sandy Lodge provides wonderful sports facilities, which we share with large numbers of primary school pupils. For example, Rugby Week continues to grow with 26 matches played under floodlights with every boy on the programme given the opportunity to play. Highlights include the Under 9, 10 and 11 Barbarians matches made up of boys from a number of different Primary and Prep Schools and in 2019, we were delighted to host a girls' match. In hockey, Merchant Taylors' staff and boys provide coaching for local Prep Schools on Tuesday evenings during the Autumn Term.

Community access to facilities

Disabled access was improved further this year, building on a comprehensive range of lifts, ramps, and walkways across both the Senior and Prep Schools. External pathways were improved between the OMT Clubhouse and the School car park. Accessible toilet provision was expanded at MTS and ramps were installed to improve play area access at MTP. The new Reception under construction at MTP includes an accessible hygiene facility and the entire building is wheel chair accessible.

Governors maintained their support to the local community by providing weekly access to around 1600 members of the public drawn from at least 65 local sporting and social organisations of all age groups. Support to local primary schools continued, including St Mary's School in Rickmansworth. In addition, MTS hosted sports days and swimming galas for six local schools. Activate Sports, Vernon School of Cricket, Maximum Performances, The Hive and Future Star Education (Young Engineers) provided holiday activities for local children, utilising School sports pitches, the swimming pool, grounds and classrooms. South Oxhey Sea Scouts received coaching, transport and equipment during their water sports activities at MTS, which allowed 18 participants to achieve their British Canoeing Paddle Start Award. Chiltern Harriers Athletics Club trained on the athletics track on Thursday evenings and Saturday mornings. Harrow Athletics Club trained on the athletics track on Mondays and Wednesdays during the summer holidays. We supported Reddiford School and Croxley Danes School with PE lessons and afternoon games sessions; these included hockey, rugby, cricket, football, netball and rounders.

Public benefit and outreach (continued)

Middlesex Hockey continued to use the School during practice sessions and competitive matches against other counties. As a Regional High Performance Centre for England Hockey, the School hosted training evenings and weekend competitions for boys and girls of various age groups.

The School's strong partnership with Middlesex County Cricket Club continued, but activities were curtailed by COVID-19. This led to the cancellation of the Tendulkar Middlesex Global Academy and the Middlesex T20 and four-day matches scheduled during the summer. Despite the pandemic, we managed to provide 35 days of cricket for all age groups during August and September.

The School continued to support the MOD with an occasional helicopter landing site to support VIP visits to the Northwood Base and the provision of a running track to support individual fitness tests. HMS Wildfire, the local Royal Navy Reserve unit, held their Annual Ceremonial Dinner at the OMT Clubhouse. The Rickmansworth Fire Department made use of the lake for training days with their fire crews.

The School views this high level of commitment to the local community as essential and intends to maintain it.

4.6 **Financial review**

During the year under review, the School's incoming resources were £24,043,113 (2019: £24,305,620) and total charitable expenditure was £22,493,194 (2019: £22,771,687), generating a surplus of £1,549,918 (2019: £1,533,933). The principal source of income was School fees, which accounted for £22,136,119 (92%), (2019:£22,966,340 (94%)). £243,134 (2019: £209,595) was raised through the Development Office for bursaries and School development. Governors maintained their strategy of investing all net incoming resources in the School's educational purposes and infrastructure.

During the year, the School increased expenditure on scholarships and bursaries to £1,829,328 (2019: £1,656,982). Capital expenditure of £2,533,003 (2018: £2,158,234) and revenue expenditure of £594,559 (2019: £601,678) were invested in the School infrastructure. At the Senior School, this included completion of a new Geography building and medical centre, installation of voltage optimisation and improvements to the maintenance department accommodation. CCTV was upgraded and cyclic refurbishment of corridors and washrooms continued. At the Prep School, the library was refurbished, a new grounds and maintenance area was established, a disabled WC was installed and a minibus was replaced. This strong financial performance continued to be underpinned by a high demand for pupil places and carefully controlled expenditure.

Financial review (continued)

4.7 Going concern

The School operates as a going concern and had net cash flows from operating activities of £2,766,664 (2019: £3,311,049).

4.8 Reserves policy

The School aims to maintain adequate free, unrestricted reserves to respond to unforeseen events and to meet up to three months' non-discretionary expenditure (approximately £4.5m). On 31 August 2020 free unrestricted reserves were £3,011,304 (2019: £2,435,644). These are defined as unrestricted funds, less both fixed assets and permanent endowment, adding back any outstanding loans. The reserves policy and its calculation are monitored by the Finance Committee and updated annually. Future development plans will be funded by a combination of cash flow, borrowing and fundraising.

Total reserves as at 31 August 2020 were £39.5m (2019: £37.8m), of which £801k relates to Restricted funds (2019: £759k) and £1,704k to the Endowment Fund (2019: £1,656k). Unrestricted reserves totalled £37.0m (2019: £35.4m), of which £9.4m was designated for various purposes, as outlined in Note 15 to the accounts.

4.9 Risk management

Governors are responsible for ensuring that an appropriate risk identification and management framework is in place.

A Risk Management Committee drawn from across the School compiles the School's Risk Register, in order to identify the likelihood and impact of foreseeable risks to the School's operations. Minutes of Risk Management Committee meetings are scrutinised by the School's Finance Committee annually, before the Risk Register is reviewed by Governors. Risks associated with the coronavirus pandemic became apparent in the early months of 2020. Action plans were developed urgently and were implemented to ensure the continuing safe and effective operation of the School at the Northwood sites and remotely. Further information about the COVID-19 pandemic and its impact can be found at section 4.3 of this Governor's report.

Other key vulnerabilities continue to be: staff recruitment; fire; transport; and cyber-attack, the last of which increased considerably.

Governors have introduced a range of measures to manage and mitigate these risks.

(i) A Safer Recruiting Action plan is in place to ensure that mandatory checks are completed prior to all appointments.

(ii) A whole School fire risk assessment was conducted across all sites and Fire Risk Action Plans have been implemented in order of priority. Trained fire wardens are assigned to each area of the School and fire practices were held during the year in the main buildings and staff accommodation areas.

(iii) Vehicle maintenance schedules, insurance cover and driver licencing were reviewed during the year. Roadworthiness inspections were conducted on School minibuses, in partnership with a local garage. Signage, road marking and traffic calming measures were improved on the School's vehicle routes and car parks to improve safety.

(iv) The IT Department continues to update computer virus control measures and monitors carefully the increasing attempts to disrupt the School's IT Network.

Wider risks are addressed within the School's Health and Safety Management System, security enhancements and Safeguarding procedures. Firm credit control procedures continue to manage the risk of bad debt and pupil numbers remain stable, due to local demand for independent education and the high academic and all round reputation of the School.

Emerging threats include: the levy of VAT on school fees; a removal of charitable relief on business rates; an increase in the burden of the Teachers' Pension Scheme. Contingency plans for all scenarios are under constant review.

4.10 Remuneration policy

The MTS Remuneration Committee, chaired by the Chairman of Governors, meets annually to review the remuneration of teaching staff, support staff and the Senior Leadership Team. The Remuneration Committee considers the external environmental factors, which influence recruiting and retention, alongside other relevant issues. These include reference to independent benchmarking surveys, including haysmacintyre and Baines-Cutler. The recommendations of the Remuneration Committee are then presented to the main Governing Body for consideration and endorsement, before being implemented from the following September. Support Staff salaries are aligned using a framework developed from an external job evaluation process, which is updated annually to reflect changes to individual roles. Following an external review of teaching remuneration, a new teaching salary scale has been in place since September 2017.

Due to the uncertainties arising from COVID-19, Governors decided not to recommend any increase in staff salaries from September 2020, with the exception of performance based progression for those who had met the criteria for advancement.

4.11 Investment policy

The MTS Investment Committee, chaired by Andrew Moss, reviews the performance of the School's investment portfolio. In liaison with Rathbones, the School's investment managers, the balance of risk and return reflected in the apportionment of cash, bonds and equities is reviewed in the light of external events and adjusted as necessary. The School aims to protect its capital from inflation and market volatility, whilst building designated and endowment funds to support future bursary and other requirements.

The Investment Committee decided to reduce exposure to equities and increase the cash element of the School's investments, both as a defensive measure and to increase liquidity for the time being, pending further assessment of the economic impact of COVID-19.

4.12 Future plans

Merchant Taylors' School, Northwood aims to be the independent day school of choice for boys aged 3-18 in the North West London area, providing an excellent all-round education. We wish to enable pupils to live fulfilled lives that contribute to society. To meet our vision, we will:

- treat the wellbeing and safeguarding of our staff and pupils as the foremost consideration;
- employ and retain the best staff available for the job;
- maintain the highest academic standards, whilst supporting a holistic education;
- select pupils who will benefit from the all-round education that we offer and achieve great things;
- ensure an appropriate number of scholarships and bursaries are targeted to provide outstanding educational opportunities for notably gifted boys and boys from disadvantaged backgrounds;
- sustain a diverse and supportive environment that allows staff and pupils to thrive without regard to background, faith, gender, special educational needs, disabilities or sexual orientation;
- maintain and develop our buildings, grounds and facilities to the highest standards and to shape plans that meet emerging educational needs;
- be mindful of our historic charitable foundation and promote wider public benefit in our activities;
- remain a competitive fee-paying school in the independent sector;
- ensure that management of the School's finances is efficient and that expenditure takes account of affordability, recognising that parents make significant financial sacrifices to educate their boys at the School;

4.13 Section 172 Statement

As an Independent School in Northwood, Merchant Taylors' School depends on the trust and confidence of its stakeholders to operate sustainably in the long term. Governors place the educational needs of the boys first, invest in the staff and support the local community.

The Governors of Merchant Taylors' School 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 pupils and staff, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

Section 172 considerations are embedded in the School's strategic decision making process led by Governors and throughout the operational planning process led by the Executive. Issues, factors and stakeholders, which the Governors have considered when discharging their duty under section 172(1) are recorded in Governors' meeting papers and referred to throughout this Annual Report. These include considerations relating to inter alia: remuneration; pension provision; fee discounts and bursaries in connection with the COVID-19 pandemic; capital expenditure management and the optimisation of remote learning.

Our vision, purpose, values and aims are set out in section 3.2 and are further illustrated in the Strategic Report, which can be found at section 4. The key risks facing the School and the framework of their management and mitigation are outlined in section 4.9 of the Strategic Report.

Our environmental, social and governance practices are described in section 4.5 (Public benefit and outreach) and the extent of bursarial support for pupils whose families are unable to pay the school fees are primarily set out at section 4.6 (Financial review). For the first time, Merchant Taylors' School is reporting key energy and carbon usage information and this can be found in section 4.14 (Environmental performance). This area of ESG reporting will, no doubt, develop over time.

4.14 Environmental Performance

Under the Energy and Carbon Report Regulations 2018, the School is required to report on the environmental impacts of the organisation. The key environmental impacts for Merchant Taylors' School are gas and electricity consumption at both the Senior and the Preparatory schools and the vehicles used across both sites. The numbers reported here meet the regulations noted above and refer to consumption on site, rather than the total impact on the environment. For example, the tabulations below are not required to indicate energy consumed by pupils and staff travelling to and from their homes. The School has applied the Streamlined Energy and Carbon Reporting (SECR) Protocol and used the 2020 Government emission conversion factors to compile this report. The School's total carbon emissions for 2020 were 1,378.55 metric tonnes, which can be broken down as follows:

Merchant Taylors' Senior School

Energy Source	Consumption	Scope	Emissions
Annual Gas kWh	3,979,360 kWh	1	731.7t CO2e
Annual Electricity kWh	1,559,334 kWh	2	363.5t CO2e
Annual vehicle mileage	19 324 miles (23,085.6 kWh)	1	5.88t CO2e
Staff duty travel	1090.8 miles (1,269 kWh)	3	0.31t CO2e
Total	**5,561,779.6.6 kWh**		**1101.4t CO2e**
Intensity ratio	903 pupils		1.22t CO2e per pupil

Merchant Taylors' Prep School

Energy Source	Consumption	Scope	Emissions
Annual Gas kWh	299,664 kWh	1	251.3t CO2e
Annual Electricity kWh	97,894 kWh	2	22.8 t CO2e
Annual vehicle mileage	8220 miles (9 820.1 kWh)	1	2.5 t CO2e
Staff duty travel	1 953 miles (2,269.2 kWh)	3	0.548t CO2e
Total	**409 647.1 kWh**		**277.15t CO2e**
Intensity ratio	368 pupils		0.75t CO2e per pupil

Voltage optimisation was installed this year to reduce consumption and boilers have been replaced with more efficient models. Future plans include a rolling programme to install LED lighting and the procurement of electric vehicles to reduce reliance on fossil fuels. The swimming pool plant will be modernised and a pool cover installed to reduce heat loss. This is part of a developing plan to report and manage energy efficiency and carbon emissions.

Statement of Trustees' responsibilities

The School's Governors are Directors of the Charitable Company and Trustees of the Charity. They 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 Directors to prepare financial statements, which provide a true and fair view of the affairs of the Company and the profit or loss for that year. In preparing those financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking steps for the prevention and detection of fraud and other irregularities. In the case of all persons who are directors at the time when this report is approved, the following applies:

a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Disability statement

The Company continues to give full and fair consideration to disabled persons applying for employment, having full regard to their particular aptitudes and abilities. Full and fair consideration will be given to the continuing employment and appropriate training of persons who become disabled. The Company provides equal opportunities to all staff on the basis of objective criteria and personal merit.

Auditors

Saffery Champness LLP, Chartered Accountants, have indicated their willingness to continue in office.

Chairman

The Governors would like to record their thanks to Christopher Hare who retired as Chairman and Governor on 31 August 2020, having served as a governor with distinction for twenty six years.

By order of the Board

D G M Eggar
Chairman

Independent auditors' report
For the year ended 31 August 2020

We have audited the financial statements of Merchant Taylors' School for the year ended 31 August 2020 which comprise statement of financial activities, balance sheet and statement of cash flows 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 charitable company's state of affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 charitable company 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 Trustees 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees (who are also 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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 auditors' 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.

C S Turtington

Cara Turtington (Senior Statutory Auditor)
For and on behalf of

Saffery Champness LLP
Chartered Accountants

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 28 February 2021

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

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Statement of financial activities (incorporating the income and expenditure account)
For the year ended 31 August 2020

	Notes	Unrestricted Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Income from:							
Charitable activities							
School fees	2	22,136,119	-	-	-	22,136,119	22,966,340
Registration/admissions fees	3	138,571	-	-	-	138,571	154,223
Other charitable activities							
- Insurance	3	12,227	-	-	-	12,227	36,167
- Rents received	3	244,388	-	-	-	244,388	237,686
- Government grants	3	-	-	909,909	-	909,909	-
- Other	3	86,099	-	-	-	86,099	137,539
Other trading activities							
Other ancillary income		-	-	-	-	-	800
Donation from MTSEL	3	56,826	-	-	-	56,826	117,872
Investments	3	32,164	58,536	39,983	-	130,683	132,735
Donations & legacies							
Donations	3	-	-	85,157	-	85,157	312,663
Development campaign income	3	31,545	-	204,534	7,055	243,134	209,595
Total income:		22,737,939	58,536	1,239,583	7,055	24,043,113	24,305,620
Expenditure on:							
Raising funds							
Alumni Relations and Development		201,224	-	28,623	-	229,847	233,796
Investment management		-	8,430	6,420	-	14,850	14,367
Financing costs		26,820	-	-	-	26,820	39,024
		228,044	8,430	35,043	-	271,517	287,187
Charitable activities							
School and grant making		20,868,862	189,885	1,162,930	-	22,221,677	24,484,500
Total expenditure	5	21,096,906	198,315	1,197,973	-	22,493,194	22,771,687
Net income/(expenditure) before investment gains		1,641,033	(139,779)	41,610	7,055	1,549,919	1,533,933

Statement of financial activities (continued)
For the year ended 31 August 2020

	Notes	Unrestricted Unrestricted funds £	Unrestricted Designated funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Net gains on investments		-	157,952	-	40,253	198,205	40,226
Net income		1,641,033	18,173	41,610	47,308	1,748,124	1,574,159
Transfers	8	(15,417)	15,417	-	-	-	-
Net movement in funds		1,625,616	33,590	41,610	47,308	1,748,124	1,574,159
Fund balances at 31 August 2019		25,984,877	9,396,776	759,204	1,656,352	37,797,209	36,223,050
Fund balances at 31 August 2020	14	27,610,493	9,430,366	800,814	1,703,660	39,545,333	37,797,209

Summary Income and Expenditure Account

	2020 £	2019 £
Total income	24,036,058	24,305,620
Total expenditure	22,493,194	22,771,687
Unrealised/realised gains and losses	169,869	29,818
Net income for the year	1,712,733	1,563,751

All amounts relate to continuing operations.

The notes on pages 29 to 53 form part of these financial statements.

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Balance Sheet
As at 31 August 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible fixed assets	6		33,334,517		32,345,825
Investments	7		5,919,464		5,681,535
Fees In Advance Investments	7		143,346		143,065
Current assets					
Stocks	9	47,914		37,962	
Debtors	10	405,358		710,208	
Cash at bank and in hand	19	4,748,981		4,448,659	
		5,202,253		5,196,829	
Current liabilities					
Creditors: due within one year	11	(4,227,894)		(4,527,560)	
Net current assets			974,359		669,269
Total assets less current liabilities			40,371,686		38,839,694
Creditors: due after more than one year	12		(826,353)		(1,042,485)
Total net assets			39,545,333		37,797,209
Unrestricted funds	15		37,040,859		35,381,653
Restricted funds	16		800,814		759,204
Endowment	17		1,703,660		1,656,352
Total funds			39,545,333		37,797,209

The financial statements were approved by the Governors on 10 February 2021 and were signed on its behalf by:

D G M Eggar
Director

A G Moss
Director

Company Registration No. 3411540
The notes on pages 29 to 53 form part of these financial statements

Merchant Taylors' School
(A company limited by guarantee and not having a share capital)

Cash flow statement
For the year ended 31 August 2020

	Notes	£	2020 £	£	2019 £
Net cash flows from operating activities	18		2,766,664		3,311,049
Cash flows from investing activities					
Investment income		130,683		132,735	
Purchase of property, plant and equipment		(2,533,003)		(2,158,234)	
Proceeds from sale of investments		1,767,185		1,594,548	
Purchase of investments		(2,021,910)		(1,555,549)	
Proceeds from sale of assets		-		800	
Net cash used in investing activities			(2,657,045)		(1,985,700)
Cash flows from financing activities					
Movement in final deposits		(20,400)		(120,000)	
Repayment of interest on loans		(15,830)		(18,587)	
Repayments of borrowing		(66,517)		(90,435)	
Net cash used in financing activities			(102,747)		(229,022)
Change in cash and cash equivalents in the reporting period			6,872		1,096,327
Cash and cash equivalents b/f	19		5,419,574		4,323,247
Cash and cash equivalents c/f at 31 August	19		5,426,446		5,419,574

The notes on pages 29 to 53 form part of these financial statements.

1. Accounting policies

1.1 Basis of accounting

The accounts have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (SORP) and Financial Reporting Standard 102 (FRS102). The accounts are drawn up on the historical cost basis of accounting, as modified by the revaluation of properties and other investments.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statement are rounded to the nearest £.

The Charity is a public benefit entity.

Having reviewed the funding facilities available to the School, the increasing demand for places, the School's projected cash flows and impact of Covid-19, Governors have concluded that the School has adequate resources to continue to operate for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 20.

The financial information is presented for Merchant Taylors' School as an individual undertaking and not for the group. The Trustees have taken advantage of the SORP and Companies Act 2006 (S.405(2)) exemption not to prepare group financial statements as they consider the effects of changes would not be material to the financial statements of Merchant Taylors' School.

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

1.2 Tangible fixed assets

The School entered into a lease from the Merchant Taylors' Company for a 128 year term effective from 16 March 2011. Under the terms of this lease, the School is responsible for keeping the properties in a fit and useful condition and these costs are expensed when incurred. Subsequent additions and material improvements by the School are capitalised on completion and are depreciated as set out in note 1.3 below. Tangible fixed assets valued at £7.0m associated with MTP were acquired on 15 October 2015.

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

Accounting policies (continued)

1.3 **Depreciation**

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

Building and leasehold improvements	- 70% charged over 50 years, 30% charged over 20 years – the latter to reflect components that have a shorter life (e.g. flat roofs, electrical wiring etc.)
Furniture and equipment	- over 10 or 20 years
Machinery and motor vehicles	- over 4 years
Computer hardware	- over 4 years

Depreciation is not charged on assets under construction or freehold land.
Individual items costing less than £500 are written off as an expense, as acquired.

1.4 **Current assets**

Stocks consist of textbooks and other school consumables which have been purchased in advance of the new academic year. Stock is carried at the lower of cost and net realisable value.

1.5 **Fees and similar income**

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

1.6 **Donations, legacies, grants and other voluntary income**

Voluntary incoming resources are accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable. Voluntary income for the School's general purposes is accounted for as unrestricted and is credited to the General Reserve. Where the donor or an appeal has imposed trust law restrictions, voluntary income is credited to the relevant restricted fund and incoming endowments are accounted for as permanent trust capital or expendable trust capital, according to whether the donor intends retention is to be permanent or not.

1.7 **Investments and investment income**

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

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

Accounting policies (continued)

1.8 **Expenditure**

Expenditure is accounted for on an accruals basis. Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to management estimates of time spent or space occupied, as appropriate. Irrecoverable VAT is included within the item of expense to which it relates.

Governance costs, included within Support costs of schooling, comprise external audit costs and costs incurred in relation to constitutional and statutory requirements.

1.9 **Pensions**

The School's professional teaching staff are members of the Teachers' Pension Scheme operated by Teachers' Pensions on behalf of the Department for Education and Skills. This is a multi-employer scheme and individual schools are not able to identify their share of the underlying assets and liabilities of the Scheme. Non-teaching staff are members of other pension schemes as detailed in note 20.

1.10 **Rental income**

Rental income is accounted for on a receivable basis.

1.11 **Fund accounting**

Funds held by the Company are:

Unrestricted General Reserve:
These are funds which can be used in accordance with the charitable objects at the discretion of the Governors

Designated Funds:
These funds, although unrestricted, are used for specific purposes. Refer to note 15 for further details.

Restricted Funds:

(i) Permanent Endowed Funds:
The use of these funds has been restricted by the original donor and only the income arising is available to spend.

(ii) Expendable Endowed Funds:
These funds are accounted for similarly, except that all capital can be converted into income for spending, either at the Governors' discretion, or upon the occurrence of an event contemplated by the donor.

See note 17 for further details of endowed funds

Accounting policies (continued)

1.12 **Operating leases**

Rentals payable are charged on a time basis over the lease term.

1.13 **Taxation**

The School is a registered charity and its income is not liable to taxation, as it is applied to wholly charitable purposes.

1.14 **Debtors**

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

1.15 **Cash at bank and in hand**

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

1.16 **Creditors**

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

1.17 **Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 **Critical accounting judgement and estimates**

The preparation of the financial statements requires the Governors to make estimates and assumptions concerning the future. These could materially affect the carrying amounts of assets and liabilities within the next financial year and include accruals, depreciation and revenue recognition. The accounting in these areas of the accounts requires management to exercise judgement.

- Accruals are estimates as costs that will be incurred based on contractual requirements
- For depreciation, estimates are driven by the useful economic life of the associated assets
- For revenue recognition, management applies judgements in determining the point at which revenue should be recognised as income.

2. School fees

	2020 £	2019 £
The School's fee income comprised:		
Gross fees	25,157,268	24,241,230
Less: 2020 summer term discounts	(1,444,842)	-
Less: Total bursaries, grants and allowances	(1,829,328)	(1,656,982)
	21,883,098	22,584,248
Add back: Scholarships, grants and allowances paid for by restricted funds, MT Co charities fund and MTET endowment fund	253,021	382,092
	22,136,119	22,966,340

3. Other income

	2020 £	2019 £
Other educational charitable activities		
Registration fees	112,971	123,073
Admission fees	25,600	31,150
	138,571	154,223
Other charitable activities		
Insurance	12,227	36,167
Rents receivable	244,388	237,686
Deposits forfeited, fees in lieu, music income and other misc. income	86,099	137,539
MTSEL donation	56,826	117,872
Sale of fixed assets	-	800
Government grants	909,909	-
	1,309,449	530,064
Investment income		
Bank interest	22,016	21,602
Investment income	98,519	100,512
Interest on late fees	10,148	10,621
	130,683	132,735

3. Other income (continued)

	2020	2019
	£	£
Donations		
MT Company Donation	56,994	38,180
Scholarship Income	28,163	28,232
MTET Endowment Fund	-	196,000
Other donations	-	50,251
	85,157	312,663
Development campaign income	243,134	209,595
	328,291	522,258

Government grants of £909,909 (2019:£nil) comprise monies received from HMRC in relation to the Coronavirus Job Retention Scheme.

4. Expenditure

	2020	2019
	£	£
Support costs of schooling included:		
Auditors' remuneration for audit services	24,000	22,500
Auditors' remuneration for other services	3,942	3,980
	27,942	26,480
Total staff costs comprised:		
Wages and salaries	12,159,692	11,969,674
Social security costs	1,248,520	1,233,551
Pension contributions	2,284,946	1,697,046
Termination costs	-	8,318
	15,693,158	14,908,589

4. Expenditure (continued)

Employees

The average number of employees in the year was 369 (2019: 371) of which 149 (2019: 157) were teaching staff.

The number of higher paid employees was:	2020	2019
£60,001 - £70,000	35	32
£70,001 - £80,000	7	2
£80,001 - £90,000	4	5
£100,001 - £110,000	-	-
£110,001 - £120,000	-	1
£120,001 - £130,000	2	1
£180,001 - £190,000	-	1
£190,001 - £200,000	1	-

Twenty nine of the above employees had retirement benefits accruing in a Defined Benefit Scheme (Teachers' Pensions Superannuation Scheme with employer contributions paid at 23.68% of salary) and four employees had benefits accruing in the Group Personal Pension Plan (with employer contributions paid at 14% of salary).

The key management personnel of the School comprise the Headmaster, the Bursar and the Senior Leadership Team. Their total combined contractual benefits totalled £1,465,123 (2019: £1,351,819).

Governors' remuneration

No Governor, nor persons connected with them, received any remuneration in the year ended 31 August 2020 (2019: Nil) and Governors are not included in the number of persons employed, listed above.

5. Analysis of total expenditure

	Staff Costs £	Other Costs £	Depreciation £	Total 2020 £
Raising funds				
Financing costs/bank interest	-	26,820	-	26,820
Investment management	-	14,850	-	14,850
Development office	183,412	40,520	-	223,932
	183,412	82,190	-	265,602
Charitable activities				
Teaching	12,299,525	1,198,657	-	13,498,182
Welfare	710,760	340,226	-	1,050,986
Premises	1,111,420	2,748,980	790,819	4,651,219
Support costs of schooling	1,388,041	604,027	563,608	2,555,676
School's operating costs *	15,509,746	4,891,890	1,354,427	21,756,063
Bursaries paid for by restricted funds	-	253,021	-	253,021
Alumni Relations and Development	-	28,623	-	28,623
OMT sports facilities	-	-	189,885	189,885
	-	281,644	189,885	471,529
Total expenditure	15,693,158	5,225,724	1,544,312	22,493,194

*School's operating costs includes furloughed staff costs.

Analysis of total expenditure (continued) - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2019 £
Raising funds				
Financing costs/bank interest	-	39,024	-	39,024
Investment management	-	14,367	-	14,367
Development office	135,227	11,717	-	146,944
	135,227	65,108	-	200,335
Charitable activities				
Teaching	11,553,542	1,675,279	-	13,228,821
Welfare	729,180	424,607	-	1,153,787
Premises	1,107,598	2,617,996	792,559	4,518,153
Support costs of schooling	1,383,042	1,061,756	566,964	3,011,762
School's operating costs	14,773,362	5,779,638	1,359,523	21,912,523
Bursaries paid for by restricted funds	-	382,092	-	382,092
Alumni Relations and Development	-	86,852	-	86,852
OMT sports facilities	-	-	189,885	189,885
	-	468,944	189,885	658,829
Total expenditure	14,908,589	6,313,690	1,549,408	22,771,687

6. Tangible fixed assets

	Land and buildings	Assets under construction	Furniture and equipment	Total 2020
	£	£	£	£
Costs or revaluation				
1 September 2019	41,139,677	242,149	7,597,036	48,978,862
Additions	805,507	1,536,798	190,698	2,533,003
31 August 2020	41,945,184	1,778,947	7,787,734	51,511,865
Depreciation				
1 September 2019	11,805,380	-	4,827,657	16,633,037
Charge for year	980,703	-	563,608	1,544,311
31 August 2020	12,786,083	-	5,391,265	18,177,348
Net book value				
31 August 2020	29,159,101	1,778,947	2,396,469	33,334,517
31 August 2019	29,334,297	242,149	2,769,379	32,345,825

Of the total net book value of land and buildings included above, £6,065,258 is freehold (£2,900,000 land) and £23,093,843 is leasehold.

7. Investments

	2020 £	2019 £
Investment in subsidiary	100	100
Investment portfolio	5,919,364	5,681,435
Fees In Advance Investments	143,346	143,065
	6,062,810	5,824,600

The investment in subsidiary relates to the trading company, Merchant Taylors' School Enterprises Limited. The activities of this subsidiary include the Tuck Shop and the letting of School facilities. The results for the year are as follows:

	2020 £	2019 £
Gross profit	220,504	311,257
Gross expenditure	(163,678)	(193,385)
Net surplus before donating to MTS	56,826	117,872

At the balance sheet date, the aggregate share capital and reserves of the subsidiary undertaking were £100 (2019: £100).

	Fees In Advance Investments £	Quoted Investments £
Investments at 31 August 2020 were:		
Fixed Interest	-	1,433,413
Overseas Bonds	-	-
UK Equities	-	900,556
UK Investment Companies	-	-
Overseas Investment Companies	-	2,456,013
Alternatives	-	595,263
Cash	143,346	534,119
	143,346	5,919,364

Investments in the School's portfolio are managed primarily by Rathbones.

8. Transfer between funds

	2020	2019
	£	£
Designated Funds:		
Transferred to Pension Fund	-	7,000
Transferred to/(from) Unrestricted Funds re Housing Fund	15,417	(3,552)
Net transfer to/(from) Designated funds	15,417	(3,448)

9. Stocks

	2020	2019
	£	£
Consumables (including textbooks)	33,797	26,320
Goods for resale	14,117	11,642
	47,914	37,962

10. Debtors

	2020	2019
	£	£
Trade/fee debtors	22,093	39,464
Amounts owed from Related Undertakings (See Note 23)	64,236	357,313
Prepayments and accrued income	81,715	232,929
Other debtors	237,314	80,502
	405,358	710,208

11. Creditors: due within one year

	2020 £	2019 £
Amounts due to Related Undertakings (See Note 23)	14,426	11,877
Bank loans and overdrafts	529,725	499,291
Final term deposits	75,200	65,600
Trade creditors	78,106	335,749
Accruals	1,461,487	1,014,650
Exam deposits and Autumn term pre-payments	1,700,216	2,002,529
Other deferred income	12,791	70,705
Fees In Advance Scheme	134,171	169,357
Other creditors	221,772	357,812
	4,227,894	4,527,560

Creditors: due after more than one year (continued)

Bank loans included within creditors totalling £529,725 are loans outstanding which are subject to a negative pledge relating to the property at Merchant Taylors' Preparatory School, Moor Farm, Sandy Lodge Road, Rickmansworth, Hertfordshire WD3 1LW. This site is included within the fixed asset note under leasehold land and buildings. These loans were repaid on 23 October 2020.

12. Creditors: due after more than one year

	2020 £	2019 £
Final term deposits		
Within 1 to 2 years	66,000	69,200
Within 2 to 5 years	247,900	234,700
After 5 years	335,600	334,800
	649,500	638,700
Bank loans:		
Within 1 to 2 years	-	49,356
Within 2 to 5 years	-	47,605
After 5 years	-	-
	-	96,961

Creditors: due after more than one year (continued)

Fees In Advance:		-
Within 1 to 2 years	136,927	133,302
Within 2 to 5 years	39,926	173,522
After 5 years	-	
	176,853	306,824
	826,353	1,042,485

13. Fees In Advance Scheme

Parents may enter into a contract to pay the Senior School in advance for fixed contributions towards the tuition fees for up to 7 years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils remain in the School, fees in advance will be applied as disclosed in Notes 11 and 12, above.

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

	£
Balance at 31 August 2019	476,181
New contracts	1,967
Discounts	3,172
	481,320
Amounts utilised in payment of fees	(170,296)
Balance as at 31 August 2020	311,024

14. Analysis of net assets

	Fixed assets and investments	Current assets	Current liabilities	Long term liabilities	Total 2020
	£	£	£	£	£
Unrestricted and designated funds	37,693,667	4,401,439	(4,227,894)	(826,353)	37,040,859
Restricted funds	-	800,814	-	-	800,814
Permanent endowment funds	1,224,762	-	-	-	1,224,762
Expendable endowment funds	478,898	-	-	-	478,898
Total	39,397,327	5,202,253	(4,227,894)	(826,353)	39,545,333

Analysis of net assets of the funds (continued) - previous year

	Fixed assets and investments	Current assets	Current liabilities	Long term liabilities	Total 2019
	£	£	£	£	£
Unrestricted and designated funds	36,514,073	4,437,625	(4,527,560)	(1,042,485)	35,381,653
Restricted funds	-	759,204	-	-	759,204
Permanent endowment funds	1,196,426	-	-	-	1,196,426
Expendable endowment funds	459,926	-	-	-	459,926
Total	38,170,425	5,196,829	(4,527,560)	(1,042,485)	37,797,209

15. Analysis of unrestricted funds

	Balance 2019 £	Income/gain £	Expenditure £	Transfers between funds £	Balance 2020 £
Undesignated General Reserves	25,986,181	22,737,939	(21,096,906)	(15,417)	27,611,797
Designated					
Housing Fund	46,039	-	-	15,417	61,456
Pension Fund	121,580	-	-	-	121,580
Bursary Fund	601,577	2,094	-	-	603,671
OMT Asset Fund	4,904,519	-	(189,885)	-	4,714,634
Durrants Fund	3,702,084	212,969	(8,430)	-	3,906,623
Fees In Advance Scheme	19,673	1,425	-	-	21,098
	9,395,472	216,488	(198,315)	15,417	9,429,062
Total	35,381,653	22,954,427	(21,295,221)	-	37,040,859

Analysis of unrestricted funds – previous year

	Balance 2018 £	Income/gain £	Expenditure £	Transfers between funds £	Balance 2019 £
Undesignated General Reserves	24,320,172	23,767,948	(22,098,491)	(3,448)	25,986,181
Designated					
Housing Fund	49,591	-	-	(3,552)	46,039
Pension Fund	114,580	-	-	7,000	121,580
Bursary Fund	600,000	1,577	-	-	601,577
OMT Asset Fund	5,094,404	-	(189,885)	-	4,904,519
Durrants Fund	3,624,648	86,354	(8,918)	-	3,702,084
Fees In Advance Scheme	18,617	1,056	-	-	19,673
	9,501,840	88,987	(198,803)	3,448	9,395,472
Total	33,822,012	23,856,935	(22,297,294)	-	35,381,653

Housing Fund

The Housing Fund was set up to grant interest-free loans to members of staff in School accommodation to assist in the purchase of their own property. The value of the fund is equal to the balance of loans currently outstanding.

Bursary Fund

The Bursary Fund was created to assist with the provision of general bursaries to pupils attending the School. The Fund was created using a proportion of the funds received from the sale of the OMT sports facility at Durrants as noted below.

OMT Asset Fund

In 2011 the Old Merchant Taylors' Society (OMT) relocated its War Memorial Sports Ground to Sandy Lodge, where new facilities were built on the School grounds. The charge above of £189,885 represents the depreciation charge on these new facilities and reconciles the fund balance to the current net book value of the OMT sports facility.

Durrants Fund

Due to the size and significance of the funds received from the sale of The War Memorial Sports Ground at Durrants (excluding that the amount which was received to build the OMT facility), the Trustees agreed to create a designated fund for the purpose of maintaining the OMT sports facilities. Included within the Durrants Fund is a revaluation reserve totalling £564,124 in relation to fixed asset investments.

Fees In Advance Scheme

This amount represents the net assets relating to the Fees In Advance scheme.

16. Analysis of restricted funds

	Balance 2019 £	Incoming resources £	Resources expended £	Balance 2020 £
General donations	320,224	85,157	(113,103)	292,278
Government grants	-	909,909	(909,909)	-
	320,224	85,157	(113,103)	292,278
Development Fund				
Bursary	376,008	217,435	(159,769)	433,674
Sports, art and school campus	25,552	8,901	(15,192)	19,261
Capital projects	37,420	18,181		55,601
	438,980	244,517	(174,961)	508,536
Total	759,204	329,674	(288,064)	800,814

During 2019-20 the School received £909,909 restricted funds from HMRC in the form of Government grants in relation to the Coronavirus Job Retention Scheme.

Analysis of restricted funds – previous year

	Balance 2018 £	Incoming resources £	Resources expended £	Balance 2019 £
General donations	362,360	262,412	(304,548)	320,224
	362,360	262,412	(304,548)	320,224
Development Fund				
Bursary	329,623	191,599	(145,214)	376,008
Sports, art and school campus	23,904	10,376	(8,728)	25,552
Capital projects	42,992	10,330	(15,901)	37,421
	396,519	212,305	(169,843)	438,981
Total	758,879	474,717	(474,391)	759,205

17. Analysis of endowed funds

	Balance 2019 £	Income/gains £	Expenditure £	Balance 2020 £
Fund:				
Permanent Endowment	1,196,426	28,336	-	1,224,762
Expendable Endowment	459,926	18,972	-	478,898
Total	1,656,352	47,308	-	1,703,660

Analysis of endowed funds – previous year

	Balance 2018 £	Income/gains £	Expenditure £	Balance 2019 £
Fund:				
Permanent Endowment	1,186,018	10,408	-	1,196,426
Expendable Endowment	456,141	3,785	-	459,926
Total	1,642,159	14,193	-	1,656,352

The Permanent Endowment was initiated in 2009 when the School launched its "Forward To Our Roots" initiative. The income from the Fund is to be used to fund bursaries. The expendable endowment also allows the funding of bursaries.

18. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period	1,748,124	1,574,159
Depreciation	1,544,311	1,549,408
(Gains) on investments	(276,935)	(141,603)
Investment income	(130,683)	(132,735)
(Decrease)/Increase in operating creditors and accruals	(413,050)	697,426
Decrease/(Increase) in debtors	304,849	(230,378)
(Increase) in stocks	(9,952)	(4,428)
(Profit) on sale of fixed assets	-	(800)
Net cash flow from operating activities	2,766,664	3,311,049

19. Net debt reconciliation

	At 1 September 2019	Cash Flows	Other non cash changes	At 31 August 2020
Cash and cash equivalents				
Cash at bank and in hand	4,448,659	300,322	-	4,748,981
Cash at investment managers	970,915	(293,450)	-	677,465
	5,419,574	**6,872**	**-**	**5,426,446**
Loans falling due within one year	(499,281)	66,517	(96,961)	(529,725)
Loans falling due after more than one year	(96,961)	-	96,961	-
Total	**4,822,858**	**73,389**	**-**	**4,896,721**

20. Pension costs

Teaching staff

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 £1,826,242 (2019: £1,255,604) and at the year-end, £nil (2019: £nil) was accrued in respect of contributions to this scheme.

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

Pensions (continued)

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 discrimination will be remedied.

A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020. The TPS is subject to a cost cap mechanism, which was put in place to protect taxpayers against unforeseen changes in scheme costs. In January 2019 the Chief Secretary to the Treasury announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021. 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 the consultation and the cost cap mechanism review are completed it is not possible to determine any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional pension costs is included in these financial statements.

Non-teaching staff

Merchant Taylors' Company Pension Scheme

The School was a member of the Merchant Taylors' Company Pension Scheme for some senior non-teaching staff. This scheme was closed to further accrual on 30 April 2011. However, during that year, the Trustees completed a buy-out of liabilities with Aviva Plc. The School, subsequent to the buy-out, entered into an agreement with the principal employer to indemnify the members against any loss not covered by the Pension Protection Fund, should Aviva not have sufficient assets to meet pension payments. This Fund, as detailed in note 15, will therefore be maintained to meet any contingent liability which may arise. The Governors believe the likelihood of such a liability arising to be minimal. The total contingent liability attributable to the School cannot be quantified with any certainty at this time.

Group Personal Pension Scheme

The School also contributes to a group personal pension plan in respect of its support staff. In total, the School's contributions to group personal pension schemes for the year amounted to £458,704 (2019: £450,093).

21. Capital commitments

Capital expenditure contracted for, but not provided in the financial statements for the School totalled £1,906,210 (2019: £2,268,000).

22. Other financial commitments

At 31 August 2020, the School had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	120,679	120,679
Between 2 and 5 years	458,243	466,766
In over 5 years	12,785,748	12,897,940

23. Related party transactions

23.1 Merchant Taylors' Educational Trust (MTET)

MTET appoints the Directors and Governors of the School, who thereafter are responsible for the oversight of the Company. The balance outstanding from MTET at the year end was £nil (2019:£196,000).

23.2 Merchant Taylors' School Enterprises Limited (MTSEL) – Company registration no. 2275287

MTSEL is a wholly owned subsidiary of Merchant Taylors' School. The results of this Company for the year were satisfactory, given the adverse impact of COVID-19. The profit donated to the School was £56,826 (2019: £117,872). The balance outstanding from MTSEL at the year end was £63,166, (2019:£135,702).

23.3 Merchant Taylors' Company

Merchant Taylors' Company provides various services to Merchant Taylors' School. The balance payable to Merchant Taylors' Company in respect of these services at the year end was £14,426 (2019: receivable £4,043).

The Merchant Taylors' Company owns the original land and buildings from which the School operates. The School currently has a 128 year lease from 16 March 2011, at a current annual rent of £112,156 (2019: £112,156) to be subject to review. No amount was outstanding at either the 2020 or 2019 year end.

Related party transactions (continued)

23.4 Merchant Taylors' School and St John's School, Northwood are connected by common administration. Some non-teaching staff of Merchant Taylors' School perform similar duties for St John's School. An annual management fee for this service is charged to St John's, which amounted to £65,000 (2019: £65,000) for the year ended 31 August 2020, and the balance due from St John's School was £1,070, (2019:£14,669) at the year end.

23.5 Governors do not receive any remuneration but incidental expenses incurred and claimed in the course of their duties are reimbursed. The total amount of such expenditure in the year was £1,330 (2019: £2,923) paid to three (2019: four) Governors.

The total amount of donations received from the Governors during the year was £675 paid by three Governors (2019: £664) (paid by four Governors), of which £0 was restricted to the Bursary Fund (2019: £0).

23.6 The Old Merchant Taylors' Society contributes towards the running costs of the Old Merchant Taylors' War Memorial Clubhouse, which is located within the grounds of Merchant Taylors' School. At the end of the period under review, no money was due to or from The Old Merchant Taylors' Society (2019: £4,979 payable).

24. Comparative information

	Unrestricted			Permanent	2019
	Unrestricted funds £	Designated funds £	Restricted funds £	endowment funds £	Total funds £
Income from:					
Charitable activities					
School fees	22,966,340	-	-	-	22,966,340
Registration/admissions Fees	154,223	-	-	-	154,223
Other charitable activities					
- Insurance	36,167	-	-	-	36,167
- Rents received	237,686	-	-	-	237,686
- Other	137,539	-	-	-	137,539
Other trading activities					
Donation from MTSEL	117,872	-	-	-	117,872
Other ancillary income	800	-	-	-	800
Investments	32,222	64,258	36,255	-	132,735
Donations & legacies					
Donations	50,251	-	262,412	-	312,663
Development campaign income	33,544	-	176,051	-	209,595
Total income:	23,766,644	64,258	474,718	-	24,305,620
Expenditure on:					
Raising funds					
Alumni Relations and Development	146,944	-	86,852	-	233,796
Investment management	-	8,918	5,449	-	14,367
Bank interest	39,024	-	-	-	39,024
	185,968	8,918	92,301	-	287,187
Charitable activities					
School and grant making	21,912,523	189,885	382,092	-	22,484,500
Total expenditure	22,098,491	198,803	474,393	-	22,771,687
Net income/(expenditure)	1,668,153	(134,545)	325	-	1,533,933

Comparative information (continued)

	Unrestricted				
	Unrestricted funds £	Designated funds £	Restricted funds £	Permanent endowment funds £	2019 Total Funds £
Net gains on investments	-	26,033	-	14,193	40,226
Net income/(expenditure)	1,668,153	(108,512)	325	14,193	1,574,159
Transfers	(3,448)	3,448	-	-	-
Net movement in funds	**1,664,705**	**(105,064)**	**325**	**14,193**	**1,574,159**
Fund balances at 31 August 2018	24,320,172	9,501,840	758,879	1,642,159	36,223,050
Fund balances at 31 August 2019	25,984,877	9,396,776	759,204	1,656,352	37,797,209