



**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**

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## 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.Eng, 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](http://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

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](http://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-21<sup>st</sup> 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
<b>2023</b>	<b>32.35</b>	<b>69.98</b>	<b>88.58</b>	<b>95.98</b>	<b>98.73</b>	<b>99.58</b>
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 3<sup>rd</sup> 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 4<sup>th</sup> 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 Crittall 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 Kremes.

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

Energy Source	Consumption	Scope	2023 Emissions calculation (t CO <sub>2</sub> e )	2022 Emissions calculation (t CO <sub>2</sub> e )
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 CO <sub>2</sub> e	Scope 3	0	0
Water Supply	29,114 m <sup>3</sup>	Scope 3	5.2	3.9
Water Treatment	214,330 m <sup>3</sup>	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 (tCO <sub>2</sub> e) per pupil & FTE		1.4t CO <sub>2</sub> e per pupil & FTE	1.8t CO <sub>2</sub> e 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 CO <sub>2</sub> e)	2022 Emissions calculation (t CO <sub>2</sub> e)
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 m <sup>3</sup>	Scope 3	0.41	0.62
Water Treatment	3,104 m <sup>3</sup>	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 (tCO <sub>2</sub> e) compared with an appropriate business activity (pupil numbers as per Autumn census)		1.42t CO <sub>2</sub> e per pupil & FTE	2.17t CO <sub>2</sub> e 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 CO<sub>2</sub>e 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.

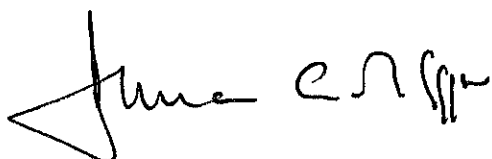
#### 4.15 Disability statement

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.

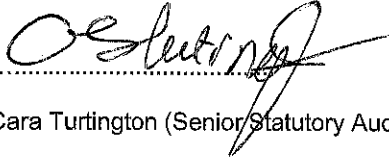
A further description of our responsibilities is available on the Financial Reporting Council's website at:

<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 Turlington (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
		£	£	£	£	£	£
<b>Income from:</b>							
<b>Charitable activities</b>							
School Fees	2	26,923,971	-	-	-	26,923,971	25,242,337
Registration/Admissions Fees	3	123,702	-	-	-	123,702	130,587
<b>Other charitable activities</b>							
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
<b>Other trading activities</b>							
Donation from MTSEL	7	156,588	-	-	-	156,588	188,975
Profit on sale of assets		9,361	-	-	-	9,361	-
<b>Investments</b>	3	362,070	85,978	63,133	-	511,181	129,062
<b>Donations &amp; legacies</b>							
Donations	3			277,425	-	277,425	278,024
Development Campaign Income	3	92,585		689,662	252,500	1,034,747	423,657
<b>Total Income:</b>		<b>28,068,239</b>	<b>85,978</b>	<b>1,030,220</b>	<b>252,500</b>	<b>29,436,937</b>	<b>26,807,856</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
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
		<b>275,370</b>	<b>18,941</b>	<b>2,000</b>	<b>7,331</b>	<b>303,642</b>	<b>319,533</b>
<b>Charitable Activities</b>							
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	
<b>Total expenditure</b>	5	<b>26,071,183</b>	<b>208,826</b>	<b>433,905</b>	<b>7,331</b>	<b>26,721,245</b>	<b>24,897,567</b>
<b>Net income/(expenditure) before investment gains</b>		<b>1,997,056</b>	<b>(122,848)</b>	<b>596,315</b>	<b>245,169</b>	<b>2,715,692</b>	<b>1,910,289</b>

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

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)
<b>Net income</b>		<b>1,997,056</b>	<b>(297,464)</b>	<b>596,315</b>	<b>168,694</b>	<b>2,464,601</b>	<b>997,896</b>
Transfers	8	1,687,309	6,999	(1,694,308)	-	-	-
<b>Net movement in funds</b>		<b>3,684,365</b>	<b>(290,465)</b>	<b>(1,097,993)</b>	<b>168,694</b>	<b>2,464,601</b>	<b>997,896</b>
<b>Fund balances at 31 August 2022</b>		<b>30,938,845</b>	<b>9,211,377</b>	<b>2,282,550</b>	<b>1,804,503</b>	<b>44,237,275</b>	<b>43,239,379</b>
<b>Fund balances at 31 August 2023</b>	14	<b>34,623,210</b>	<b>8,920,912</b>	<b>1,184,557</b>	<b>1,973,197</b>	<b>46,701,876</b>	<b>44,237,275</b>

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)
<b>Net Income for the year</b>	<b>2,288,576</b>	<b>1,187,800</b>

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	
		£	£	£	£
<b>Fixed assets</b>					
Tangible Fixed Assets	6		35,856,666		33,550,891
Investments	7		6,864,667		6,733,087
<b>Current assets</b>					
Stocks	9	48,597		104,613	
Debtors	10	555,357		707,910	
Cash		9,680,920		8,842,859	
		<u>10,284,874</u>		<u>9,655,382</u>	
<b>Current liabilities</b>					
Creditors: due within one year	11	(5,552,437)		(4,893,276)	
<b>Net current assets</b>			<u>4,732,437</u>		<u>4,762,106</u>
<b>Total assets less current liabilities</b>			<u>47,453,770</u>		<u>45,046,084</u>
Creditors: due after more than one year	12		(751,894)		(808,809)
<b>Total net assets</b>			<u>46,701,876</u>		<u>44,237,275</u>
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
<b>Total funds</b>	14		<u>46,701,876</u>		<u>44,237,275</u>

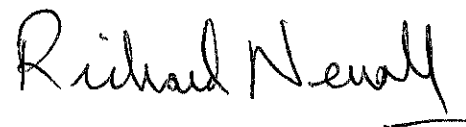
The financial statements were approved by the Governors on

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.

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

Cash flow statement  
For the year ended 31 August 2023

	Notes	2023	2022
		£	£
<b>Net cash flows from operating activities</b>	<b>18</b>	<b>4,263,833</b>	<b>4,004,385</b>
<b>Cash flows from investing activities</b>			
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		
<b>Net cash in investing activities</b>		<b>3,626,240</b>	<b>(1,365,921)</b>
<b>Cash flows from financing activities</b>			
Movement in final deposits	23,500	8,200	
<b>Net cash used in financing activities</b>		<b>23,500</b>	<b>8,200</b>
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.

<b>2. School fees</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
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)
	<u>26,492,066</u>	<u>24,822,768</u>
Add back: Scholarships, Grants and Allowances paid for by Restricted Funds held by: MT Co Charities Fund; MTET Endowment Fund; and Development Fundraising	<u>431,905</u>	<u>419,569</u>
	<u>26,923,971</u>	<u>25,242,337</u>
<b>3. Other income</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Other educational charitable activities</b>		
Registration Fees	101,102	108,087
Admission Fees	22,600	22,500
	<u>123,702</u>	<u>130,587</u>
<b>Other ancillary activities</b>		
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	-
	<u>565,911</u>	<u>604,189</u>
<b>Investment income</b>		
Bank Interest	329,073	18,207
Investment Income	149,111	109,534
Interest on Late Fees	32,997	1,321
	<u>511,181</u>	<u>129,062</u>
<b>Donations</b>		
MT Company Donation	52,425	36,650
MT Co Prizes	-	9,000
Scholarship Income	-	7,374
MTET Endowment Fund	225,000	225,000
	<u>277,425</u>	<u>278,024</u>
Development Campaign Income	1,034,747	423,657
	<u>1,312,172</u>	<u>701,681</u>

4. Expenditure

	2023 £	2022 £
<b>Support costs of schooling included:</b>		
Auditors' remuneration for audit services	31,864	28,984
Auditors' remuneration for other services	-	-
	<u>31,864</u>	<u>28,984</u>
<b>Total staff costs comprised:</b>		
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
	<u>18,035,677</u>	<u>16,835,076</u>

**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 £
<b>Raising funds</b>				
Financing costs / bank interest	-	19,227	-	19,227
Investment management	-	18,941	-	18,941
Development office (unrestricted)	212,781	50,693	-	263,474
	<u>212,781</u>	<u>88,861</u>	<u>-</u>	<u>301,642</u>
<b>Charitable activities</b>				
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	<u>1,900,204</u>	<u>204,167</u>	<u>641,858</u>	<u>2,746,229</u>
<b>School's operating costs</b>	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	<u>-</u>	<u>-</u>	<u>189,885</u>	<u>189,885</u>
	-	433,905	189,885	623,790
<b>Total Expenditure</b>	<u>18,035,677</u>	<u>6,944,379</u>	<u>1,741,189</u>	<u>26,721,245</u>

Analysis of total expenditure - previous year

	Staff Costs £	Other Costs £	Depreciation £	Total 2022 £
<b>Raising funds</b>				
Financing costs / bank interest	-	19,393	-	19,393
Investment management	-	20,707	-	20,707
Development office (unrestricted)	203,636	69,408	-	273,044
	<u>203,636</u>	<u>109,508</u>	<u>-</u>	<u>313,144</u>
<b>Charitable activities</b>				
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	<u>1,743,337</u>	<u>269,646</u>	<u>540,389</u>	<u>2,553,372</u>
<b>School's operating costs</b>	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	<u>-</u>	<u>-</u>	<u>189,884</u>	<u>189,884</u>
	-	425,958	189,884	615,842
<b>Total Expenditure</b>	<u>16,835,076</u>	<u>6,423,818</u>	<u>1,638,673</u>	<u>24,897,567</u>



6. Tangible fixed assets

	Land and buildings £	Assets under construction £	Furniture and equipment £	Total 2023 £
<b>Costs or revaluations</b>				
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)
<b>31 August 2023</b>	<b>45,615,255</b>	<b>2,994,665</b>	<b>10,410,017</b>	<b>59,019,937</b>
<b>Depreciation</b>				
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)
<b>31 August 2023</b>	<b>16,024,494</b>	<b>-</b>	<b>7,138,777</b>	<b>23,163,271</b>
<b>Net book value</b>				
<b>31 August 2023</b>	<b>29,590,761</b>	<b>2,994,665</b>	<b>3,271,240</b>	<b>35,856,666</b>
<b>31 August 2022</b>	<b>30,723,958</b>	<b>26,995</b>	<b>2,799,938</b>	<b>33,550,891</b>

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	-	-
	<b>6,864,667</b>	<b>6,733,087</b>

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
	<b>6,864,567</b>

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
	£	£
<b>Final term deposits</b>		
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
<b>Fees in Advance</b>		
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
	<u>558,595</u>
Amounts utilised in payment of fees	<u>(145,858)</u>
<b>Balance as at 31 August 2023</b>	<b><u>412,737</u></b>

### 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)	<b>43,544,122</b>
Restricted funds	-	1,184,557	-	-	<b>1,184,557</b>
Permanent endowment funds	1,497,844	-	-	-	<b>1,497,844</b>
Expendable endowment funds	475,353	-	-	-	<b>475,353</b>
<b>Total</b>	<b>42,721,333</b>	<b>10,284,874</b>	<b>(5,552,437)</b>	<b>(751,894)</b>	<b>46,701,876</b>

#### 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)	<b>40,150,222</b>
Restricted funds	-	2,282,550	-	-	<b>2,282,550</b>
Permanent endowment fund	1,307,005	-	-	-	<b>1,307,005</b>
Expendable endowment fund	497,798	-	-	-	<b>497,798</b>
<b>Total</b>	<b>40,284,278</b>	<b>9,655,382</b>	<b>(4,893,276)</b>	<b>(808,809)</b>	<b>44,237,275</b>

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
<b>Total</b>	<b>40,150,222</b>	<b>28,154,217</b>	<b>(26,454,625)</b>	<b>1,694,308</b>	<b>43,544,122</b>

Refer to Note 8 for further information regarding transfers.

Analysis of unrestricted funds - previous year

	Balance 2021 £	Income/Gains £	Expenditure £	Transfers £	Balance 2022 £
<b>Undesignated</b>					
General Reserves	29,161,126	26,044,180	(24,258,158)	(6,999)	30,940,149
<b>Designated</b>					
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
<b>Total</b>	<b>39,086,644</b>	<b>26,111,195</b>	<b>(25,061,187)</b>	<b>13,570</b>	<b>40,150,222</b>

### **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
<b>Net income for the reporting period</b>	<b>2,464,601</b>	<b>997,896</b>
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)	-
<b>Net cash flow from operating activities</b>	<b>4,263,833</b>	<b>4,004,385</b>

**19. Net debt reconciliation**

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

**Net debt reconciliation - previous year**

	At 1 September 2021	Cash Flows	Other non cash changes	At 31 August 2022
<b>Cash and cash equivalents</b>				
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
<b>Total</b>	<b>6,422,246</b>	<b>2,646,665</b>	<b>-</b>	<b>9,068,911</b>

**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					
<b>Income from:</b>	£	£	£	£	£
<b>Charitable activities</b>					
School Fees	25,242,337	-	-	-	25,242,337
Registration/Admissions Fees	130,587	-	-	-	130,587
<b>Other charitable activities</b>					
- Insurance	7,935	-	-	-	7,935
- Rents received	240,815	-	-	-	240,815
- Other	166,464	-	-	-	166,464
<b>Other trading activities</b>					
Donation from MTSEL	188,975	-	-	-	188,975
<b>Investments</b>	19,343	67,015	42,704	-	129,062
<b>Donations &amp; legacies</b>					
Donations	-	-	278,024	-	278,024
Development Campaign Income	47,724	-	375,933	-	423,657
<b>Total Income:</b>	<b>26,044,180</b>	<b>67,015</b>	<b>696,661</b>	<b>-</b>	<b>26,807,856</b>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
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
	<b>289,577</b>	<b>15,682</b>	<b>14,274</b>	<b>-</b>	<b>319,533</b>
<b>Charitable Activities</b>					
School and grant making	23,968,581	189,884	419,569	-	24,578,034
<b>Total expenditure</b>	<b>24,258,158</b>	<b>205,566</b>	<b>433,843</b>	<b>-</b>	<b>24,897,567</b>
<b>Net income/(expenditure) before investment gains</b>	<b>1,786,022</b>	<b>(138,551)</b>	<b>262,818</b>	<b>-</b>	<b>1,910,289</b>
Net loss on investments	-	(597,463)	(125,025)	(189,905)	(912,393)
<b>Net income</b>	<b>1,786,022</b>	<b>(736,014)</b>	<b>137,793</b>	<b>(189,805)</b>	<b>997,996</b>
Transfers	(6,999)	20,569	98,483	(112,053)	-
<b>Net movement in funds</b>	<b>1,779,023</b>	<b>(715,445)</b>	<b>236,276</b>	<b>(301,958)</b>	<b>997,896</b>
<b>Fund balances at August 2021</b>	<b>29,159,822</b>	<b>9,926,822</b>	<b>2,046,274</b>	<b>2,106,461</b>	<b>43,239,379</b>
<b>Fund balances at August 2022</b>	<b>30,938,845</b>	<b>9,211,377</b>	<b>2,282,500</b>	<b>1,804,503</b>	<b>44,237,275</b>