THE MILL HILL SCHOOL FOUNDATION

England & Wales · Charity number 1064758

Details

Status	Registered
Legal form	Charitable company
Company number	03404450
Registered	1997-10-08
Register	View on the Charity Commission register

Contact

Address	Walker House Millers Close London NW7 1AQ
Phone	02089598131
Email	countess.lundy@millhill.group
Website	www.millhill.org.uk

Activities

Objects: THE FOUNDATION IS ESTABLISHED TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION OF PUPILS OF ANY AGE.

Activities: education

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Barnet

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£98,389,000	£61,818,000	£95,858,000	1068
2023-08-31	£53,687,000	£52,688,000	£59,016,000	724
2022-08-31	£53,536,000	£44,785,000	£58,061,000	717
2021-08-31	£47,889,000	£36,543,000	£49,385,000	613
2020-08-31	£34,785,000	£33,600,000	£37,676,000	498

Trustees

Name	Role	Appointed
Andrew Millet		2018-03-24
Anthony Edwin Leggett		2025-11-12
Anthony POOLE		2023-10-09
DAVID TYME		2022-06-18
Debashis Dasgupta		2024-10-09
ELLIOT LIPTON MBA		2013-03-19
Eleni Patel		2025-11-12
Kamal Dhillon		2022-06-18
Mark Skelly		2020-10-01
Mary Moore		2020-10-01
Michael James Bentall		2024-05-17
NEIL JAMES		2024-10-09
Nigel Taylor		2022-09-01
Noyan Nihat		2020-12-12
Paul Dunleavy		2020-10-01
STEPHANIE JONES MILLER		2013-03-16

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THE MILL HILL SCHOOL FOUNDATION

England & Wales - Charity number 1064758

Accounts

Mill Hill
EDUCATION GROUP

Instilling values, inspiring minds

Annual Report of the Governors

The Mill Hill School Foundation

Company Registration Number: 03404450

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Court of Governors

The Governors present their Annual Report and audited Consolidated Financial Statements for The Mill Hill School Foundation (trading as Mill Hill Education Group), for the year ended 31 August 2024 and confirm that they comply with the requirements of the Charities Act 2011, The Companies Act 2006 and the Charities SORP FRS 102.

Court of Governors	Election/ Leaving Date (1 September 2023 - 4 April 2025)	Committee Membership
Chair of the Court of Governors Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS		Ex-officio. G, S(Ch), T
Vice Chair of the Court of Governors Mrs Stephanie J Miller BA (Hons)		Ed (Ch), E, F, G(Ch), S
Mrs Charlotte Avery MA (Oxon)	Stepped down 9 December 2023	Ed, S
Mr James Reinhard Bentall MA, PhD (Cantab), MBA, ACII, MCMI, JP	Appointed 17 May 2024	F, S
Mr Debashis Dasgupta B.Com (Hons), ACA, ACMA	Appointed 9 October 2024	F, S
Mrs Kamal Dhillon BSc (Hons), ACA		F, S
Mr Paul Dunleavy BA (Hons) CISSP-ISSAP CISM CDPO MBCS.		Ed, E, S
Mr Malcolm Gough BA, LLB, LLM, PGCE	Stepped down 18 September 2023	Ed, S
Mr Vernon Hales B.Ed. (Hons)	Appointed 22 November 2023, stepped down 2 October 2024	Ed, S
Mr Neil James BA Oxon	Appointed 9 October 2024	F, S
Mr Andrew Millet BA MBA FCA		F(Ch), G, S
Mrs Mary Moore MSC BA FCIPD		F, S
Mr Noyan Nihat		E, F, S
Dr Kiki O'Neill-Byrne BA (Hons), MB, BCh, BAO, Dip. Clin. Psych., FRCPsych		Ed, S
Mrs Mangal Patel MBA	Stepped down 15 June 2024	Ed, E, S
Ms Lara Péchard BA MA PGCE	Appointed 13 June 2024	Ed, S
Mr Tony Poole BSc (Hons) Arch Eng, BA (Hons) Arch, Dip Arc	Appointed 9 October 2023	E, S
Mr Mark Skelly BEng (Hons) PhD RAEngVTF		E(Ch), G, S
Mr Nigel Taylor MA		Ed, S
Mr David Tyme LLB (Hons)		F, S

E – Estates Committee, F - Finance Committee, G – Governance Committee, S – Strategy Committee, T - Trustees Committee, Ch – Chair of Committee.

Strategic Report

Our Aims and Objectives

The Foundation aims to develop thoughtful, motivated and responsible young people with a global outlook through the provision of a first-class education to boys and girls from 3 years to 18 years and to support its pupils in the passage from childhood to adulthood; we help them to thrive and find their own path to happiness and success through the range of curricular and co-curricular opportunities presented by each of our schools. Our principal activity is the education and pastoral care of our pupils.

Aims

01. To provide excellence in education:

This is achieved by:

- Providing an optimum environment in which outstanding learning can take place
- Maintaining a forward looking curriculum which establishes strengths in the core subjects but is also broad and flexible enough to adapt to the demands of the 21st Century
- Equipping pupils with the critical thinking tools and habits of mind that enable them to thrive in the modern, global environment
- Creating a culture across The Foundation that embraces the importance of staff development and wellbeing to support the recruitment and retention of the best staff

02. To bring out the best in every individual child, building resilience and preparation for future life

This is achieved by:

- Ensuring that Safeguarding is at the heart of all that our schools do
- Providing a range of opportunities that foster the development of skills and attributes like confidence, compassion, collaboration, creativity, curiosity, flexibility, leadership and communication
- Supporting the development of cultural capital that will enhance pupils' enjoyment of life, now and in the future
- Having high expectations of all pupils and a belief that everyone can achieve and succeed

03. To develop moral integrity and the confidence in pupils to be themselves

This is achieved by:

- Respecting and celebrating our diversity whilst being united in our shared values and traditions
- Encouraging independence of thinking and the responsible articulation of beliefs
- Encouraging pupils to be self-aware, to value their individuality and the needs of others
- Motivating pupils to recognise their place in the world and their responsibilities to the wider world

04. To build a sense of community and environmental awareness

This is achieved by:

- Working in close partnership with parents, alumni and the local community
- Encouraging compassion and social responsibility in pupils
- Engaging our pupils in environmentally-conscious attitudes and an appreciation of the natural world
- Creating a sense of family and belonging through shared experiences and events across The Foundation

05. To nurture pupils from childhood to adulthood

This is achieved by:

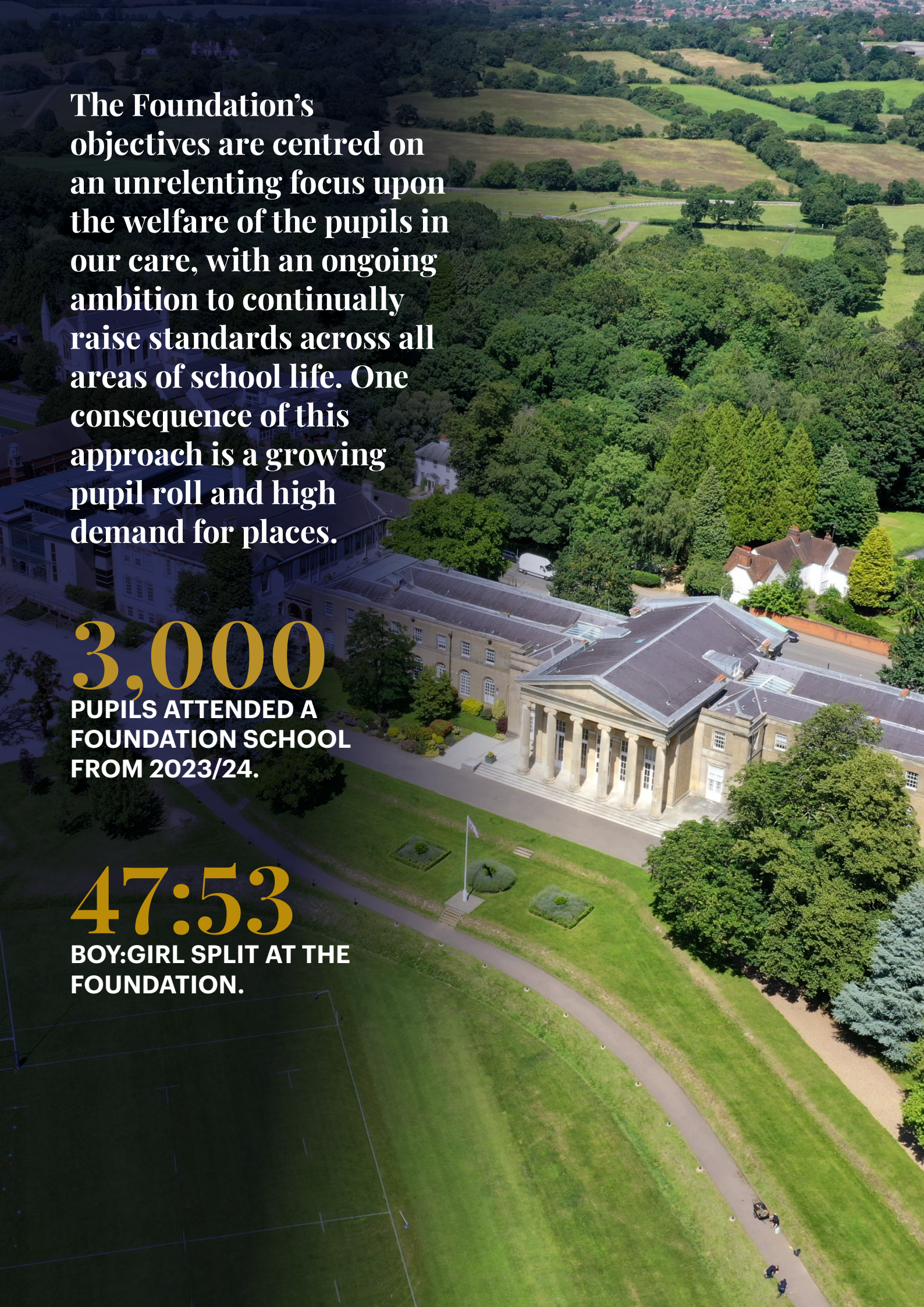
- Providing a wide range of activities that enable pupils to develop the skills and attributes of confidence, curiosity, independent thinking, creativity, leadership and team work, resilience, emotional intelligence and adaptability
- Cultivating interests, talents and disciplines that will enhance the pupils' experience of life, now and in the future
- Providing a continuity of ethos within all schools and effective transition of pupils

Activities

The financial year ending August 2024 saw The Foundation go from strength to strength as it continued to grow and develop. Key highlights were:

Initiatives for 2023/2024	Progress made
Develop the academic and co-curricular provision at all schools	At Mill Hill School, the recent changes to timetables and curriculum contributed to an outstanding jump in external exams results in 2024. The co-curricular life continues to thrive, with the Saracens partnership in rugby well embedded. The Grimsdell Forest School Nursery has proved to be highly successful. In Belmont, a number of changes have increased the focus upon core academic subjects whilst maintaining the broad and balanced curriculum. A new Head was appointed to Mill Hill School in October 2023, and a new Head was appointed to Belmont from September 2024.
Integrate and develop the new schools that have joined The Foundation	During the year, the eighth, ninth and tenth schools, respectively St Joseph's In The Park, Kingshott and Abbot's Hill, joined what is now branded as the Mill Hill Education Group. Various back office functions have continued to be integrated for efficiency and support purposes. Opportunities for mutual support have continued to be developed, in pupil activities, staff peer support, training and marketing.
Ensure the "future proofing" of the financial model of the schools	Various initiatives have been taken to ensure the efficiency of school operations and the development of alternative income sources, especially with the implementation of VAT on school fees from January 2025. There was a focus upon streamlining operations to achieve central costs savings, greater effectiveness in pupil recruitment and the agreement to open our first school abroad, in Thailand from September 2025.
Develop an Estates Master Plan for Mill Hill School	After continued engagement with local planners, the final shape of a master plan has been devised, and an application is expected to be submitted early in 2025.
Planning for an all-weather pitch for Belmont	After the first application was rejected by the local planner, a fresh application is due to be submitted in 2025 that addresses the issues remaining from the planning appeal, after making changes to the planned location and use of the pitch.
Implement an IT strategy for all schools	A 1-2-1 device strategy is gradually being rolled out at all schools, with Mill Hill School and Belmont planned for January 2025. The Group's system architecture is being streamlined and made more consistent to improve support and facilitate training. The opportunities and challenges of AI continues to be considered at a senior level.
Add suitable new schools into The Foundation	The Group now has a strong reputation in the sector for the successful addition of appropriate new schools, and consequently there continues to be interest in the Group. After the year end the Foundation entered into agreements to merge with Heathfield School and Westbrook Hay School with effect from 1 September 2025. Under the terms of the merger deeds the operations, assets and liabilities of the Schools will be transferred to the Foundation on 1 September 2025.

The Foundation's objectives are centred on an unrelenting focus upon the welfare of the pupils in our care, with an ongoing ambition to continually raise standards across all areas of school life. One consequence of this approach is a growing pupil roll and high demand for places. Total pupil numbers across all schools were around 3,000 at the end of the year (2,200 2022/23) with further growth anticipated in the following year.



The Foundation's objectives are centred on an unrelenting focus upon the welfare of the pupils in our care, with an ongoing ambition to continually raise standards across all areas of school life. One consequence of this approach is a growing pupil roll and high demand for places.

3,000

PUPILS ATTENDED A FOUNDATION SCHOOL FROM 2023/24.

47:53

BOY:GIRL SPLIT AT THE FOUNDATION.

Key highlights of our activities in 23/24:

1. Academic Achievements

After the national picture of grade inflation during the pandemic period, results nationally have been on a gradual flight path back to long term norms, and it was flagged to schools that some drop in external results should be expected in 2024. The results at Mill Hill School defied this expectation, with a remarkable jump in exam outcomes at both GCSE and A Level. The results for MHI and Cobham Hall again showed pleasing individual successes, and Abbot's Hill's results continued its trend of gaining outstanding value added per pupil.

The results at GCSE and A Level were an excellent reflection of the hard work of staff and pupils:

GCSE/iGCSE results 2024

	9 - 7%	9 - 4%
Mill Hill School	66	98
Abbot's Hill	42	92
Cobham Hall	41	92
Mill Hill International	46	92
National Average	24	68

A Level results 2024

	A* - A %	A* - B %	A* E %
Mill Hill School	52	84	100
Cobham Hall	2	31	96
National Average	28	54	97

The relatively small number of pupils in each year group at Cobham Hall School compared to Mill Hill School means that aggregate results are more variable, and affected by the results of one or two pupils.

These are outstanding results for schools that are selective, without being aggressively so, and where the benefits of a broader education are emphasized. All of the schools' GCSE results were significantly above the National Average.

The excellent A Level results, together with very good support in guiding university course choices, resulted in a very high success rate in first choice universities, despite the uncertainty around university allocations nationally. Places were obtained at a wide range of universities in the UK (including Oxbridge), USA and elsewhere in the world.

2. Widening Access

The Foundation actively promotes its public benefit profile locally and nationally. The Governors are committed to widening access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non-traditional backgrounds and to provide bursaries, up to and including 100% fee remission, to assist those children who cannot be funded by their parents, families, guardians or other charitable sources.

Bursaries are subject to annual review and are means tested. During the 12-month period to August 2024, bursary assistance totalling £1,624k (August 2023 - £1,328k) was awarded to 86 pupils (August 2023 - 75 pupils). Scholarship awards have historically been awarded as percentage of fees of up to 10% and may be supplemented by a means-tested bursary where further financial assistance is justified. During the year, Scholarships totalling £966k (August 2023 - £895k) were awarded to 397 pupils (August 2023-397). 21 pupils (August 2023 - 22 pupils) were awarded a combination of scholarship and bursary assistance. During the period, The Foundation provided 100% fee remission to 35 pupils (August 2023 - 40).

In the twelve-month period to August 2024, total fee assistance from all sources, including external funding, was £2,987k (August 2023 - £2,717k). This represented 5.0% (August 2023 - 5.3%) of Gross Fee income.

> “In the last financial year until August 2024, the Development Office oversaw total donations of £145k (August 2023 - £344k), including legacies.”

The ability of The Foundation to offer wider access through financial support is reliant upon the ongoing generosity of a number of Old Millhillians, Old Belmontians and current/ former parents.

In the last financial year until August 2024, the Development Office oversaw total donations of £145k (August 2023 - £344k), including legacies. The Development Office continues to value the relationships maintained by the Old Millhillian Club, and all pupils are now automatically members of this thriving community when they leave Mill Hill School.

During the year ended 31st August 2024, the schools within The Mill Hill School Foundation continue to make available to the wider public, local maintained schools, local churches and community groups and other charitable organisations the use of The Foundation’s buildings and facilities in support of The Foundation’s objectives.

The Foundation is proud of its exciting and meaningful initiatives partnering with local community groups including sports clubs and schools.

Structure, Governance and Management of The Foundation

The Foundation is a company limited by guarantee, number 3404450, and a registered Charity, number 1064758. The Foundation's governing document is its Articles of Association. It comprises ten schools:

- Mill Hill School, founded in 1807 for pupils aged 13-18, day and boarding
- Belmont School, founded in 1912, for pupils aged 7-13, day only
- Grimsdell School, founded in 1995, for pupils aged 3-7, day only
- Mill Hill International, founded in 2015, for pupils aged 13-17, day and boarding
- Cobham Hall, founded 1962 for pupils aged 11-18, day and boarding
- Keble Prep founded 1929 for pupils aged 4-13, day only
- Lyonsdown School founded 1906 for girls aged 4-11, day only
- St Joseph's In The Park founded in 1897 for pupils age 3-11, day only, which joined The Foundation on 27th October 2023
- Kingshott, founded in 1931 for pupils age 3-16, day only, which joined The Foundation on 17th May 2024; and
- Abbot's Hill, founded in 1912 for girls age 4-16 and pupils in nursery, day only, which joined The Foundation on 7th July 2024.

The Governors of The Foundation, as Directors of the Company, are also the Charity's Trustees. Governors who served during the period 1 September 2023 to the date when the Accounts were signed are shown on page 1.

In support of its charitable objectives, The Foundation operates Mill Hill School Enterprises as a wholly owned subsidiary with its own separate Boards of Directors. Mill Hill School Enterprises was incorporated on 11 January 1983, number 1690525, and is a company limited by guarantee. The accounts of Mill Hill School Enterprise are consolidated into the financial statements of the Foundation.

In May 2024, Kingshott joined The Group via a Charity Merger. Kingshott is a co-ed school in Hitchin, historically from 3-13 but now increasing its age range to include GCSE's, starting with Year 9 in 2024-25 academic year and Year 10 in 2025-26 and Year 11 in 2026-27. Abbot's Hill joined The Group in July 2024 as part of a charity merger. Abbot's Hill in Hemel Hempstead is a girls school from 3-16 with a co-ed nursery. There are a number of benefits to the new and existing schools from the new arrangements. Expertise can be shared and standards raised through mutual support, and the new schools benefit from some of the central services of The Foundation.

Mill Hill Education Group International was incorporated in May 2024 for the overseas schools and partnerships. It is a wholly owned subsidiary of The Mill Hill School Foundation. Mill Hill International School Thailand the first overseas partnership will open in September 2025.

Trust Funds

The following Trust Funds are separately registered charities:

- Mill Hill School Scholarship and Bursaries Trust Charity number 1042028
- Mill Hill School University Entrance Scholarship Trust Charity number 1042031
- Mill Hill School Prizes Trust Charity number 1042030
- The Ousey Scholarship Trust Charity number 1035224
- Sir Richard Winfrey Memorial Scholarship Trust Charity number 1019611

The Trust Funds provide bursaries, financial assistance and prizes to The Foundation's pupils and former pupils. The total of such payments for 12-month period to August 2024 was £9k (2023 - £30k). The Accounts of the Trust Funds are consolidated into the financial statements of The Foundation.

In order to simplify the administration of the trust funds above a new Charitable Incorporated Organisation (CIO), The Mill Hill Schools Trust, was established, receiving full Charity Commission approval in October 2023.

Charitable Aims and Objectives

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".

The trustees are mindful of The Foundations commitment to provide public benefit and have given due consideration to the requirement of the Charities Act 2011 and guidance produced by the Charity Commission.

Governance and Management of The Foundation

Statement of Governors' Responsibilities

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

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors awareness statement.

So far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Governors (other than Governors appointed to fill casual vacancies) are elected at the Annual Meeting of Life Guardians. Life Guardians duties are set out in The Foundation's Articles of Association. Membership of the Life Guardians is open to all former pupils of Mill Hill School.

The Court of Governors meets at least four times a year and determines the general policies, strategic direction of The Foundation and evaluates the risk register. The Court is supported by sub committees, who meet regularly and report to the Court of Governors.

The day-to-day management of The Foundation is delegated to the CEO and his senior leadership team, comprising of the ten Heads of the schools, the Director of Finance and Resources, the Director of Operations and the Director of Prep Schools.

A scheme of delegation formalises the responsibilities between Governors, Committees, and the Executives.

All Governors give their time freely and no remuneration was paid during the year. Reasonable travelling and associated expenses were paid in accordance with The Foundation's Governor Expenses Policy, these are shown in note 10 to the Accounts, related party transactions are shown in note 23. Professional indemnity and liability insurance is in place for Governors.

The Court of Governors requires considerable breadth and depth of experience to carry out its duties effectively and efficiently. The Governance Committee review the skill set of the Court of Governors and endeavour to recruit the required skills at the appropriate time. The Court of Governors seeks to have an appropriate balance of gender, age and ethnicity. Governor appointments are in accordance with The Foundation's Articles of Association.

The Foundation provides an induction process for each new Governor covering The Foundation's governance structure, the Governor's role as a trustee and other issues which affect The Foundation. The Foundation is a member if the Association of Governing Bodies of Independent schools (AGBIS) and Governors are encouraged to attend the conferences and seminars they offer or other relevant external sessions for Governor and trustee development.

S172 of the Companies Act

During the year the Directors have acted in good faith with the aim of promoting the success of The Foundation and of its members of a whole by having regard to:

- the likely consequences of any decision in the long term
- the interests of The Foundations employees
- the need to foster The Foundations business relationships with suppliers, customers and others
- the impact of The Foundations operations on the community and the environment
- the desirability of The Foundation maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of The Foundation

Sub-Committees of the Court of Governors

The Court of Governors, through its sub committees, exercises governance and control of The Foundation and schools. The Court of Governors review annually the Terms of References and membership of each committee.

Standing Committee	Composition - Voting Members	Composition – Non-Voting Members	In Attendance	Number of Meetings 1 September 2023 - 31 August 2024
Education	Governors	CEO DFR Heads*	Various academic staff as required	4
Estates	Governors	CEO DFR DO Heads*		4
Finance	Governors	CEO DFR DO Heads*		4
Governance	Governors	CEO DFR	Chair and Vice Chair of the Life Guardians once a year	4
Strategy	Governors	CEO DFR DO Heads*		3
Trustees	Governors	CEO DFR		1

Supplier Relationships

We value all of our suppliers, fostering long term, mutually beneficial relationships with those critical to the school's success. Suppliers are generally paid on 30-day terms. Key procurement decisions are presented to the Governors by the Executive Team prior to final decisions being made. The Court of Governors reviews the procurement policy periodically to ensure the school continues to receive the best value for money.

Plans for the Future

Continued initiatives for 2024/2025 include:

- Susannah Abbott appointed as new Head of Belmont School, from 1 September 2024
- Continued push for academic and co-curricular excellence across all schools
- Response to the imposition of VAT on school fees by the new government
- Development of non-fee sources of income for the charity
- Starting the formal planning application process for the Mill Hill School campus and the Belmont astro
- Develop specialist provision in core academic and co-curricular provision
- Mill Hill International School Thailand opening 1 September 2025 with Kate Simon as the inaugural Head
- New Head of Grimsdell, Kevin Dobson, starts in September 2025

Equality Diversity & Inclusion

The Foundation complies with the Equality Act 2010 and is committed to providing equality diversity and inclusion in employment. The Foundation's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Governors have engaged with employees regarding employee interest and key decision through regular staff written communications and termly employee listening meetings.

Environmental Impact

We are taking proactive steps in waste management. We sort waste at the source, recycling all cardboard, paper, wood, and metals, which has led to a significant reduction in our general waste volume. Food waste is collected separately and converted to energy, supporting our sustainability goals.

In terms of energy efficiency, we continue with our lighting replacement program, installing energy-efficient fixtures across our facilities. This year, we have also replaced several roof coverings, incorporating insulation into each new installation to enhance thermal efficiency. Wherever possible, we have used recycled materials in smaller building projects to further minimise our environmental impact.

Additionally, we have replaced several boilers this year and continued our substantial window replacement program to improve insulation and overall efficiency.

During the year ending August 2024 the Mill Hill based schools, plus Cobham Hall, Keble Prep and Lyonsdown used 3,650 MWh of electricity and 6,700 MWh of Gas. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 2,083 tCO2e.

During the year ending August 2023 the Mill Hill based schools used 1,990 MWh of electricity and 6,007 MWh of Gas. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 1,501 tCO2e.

Financial Review

The financial health of The Foundation remains strong. The results for the financial year to 31 August 2024 include an exceptional item reflecting the mergers with St Joseph's In The Park, Kingshott School and Abbot's Hill School with a fair values of £2,126k, £10,502k and £22,141k respectively (see note 28). The regular operational activities of The Foundation for the period to 31st August 2024 include income of £63,619k (2023 £53,687k). Net income excluding the exceptional items was £2,072k (2023 £955k).

	2024 £'000	2023 £'000
Income per SOFA	98,389	53,687
Exceptional Item - 3 new schools to the Foundation	(34,770)	-
Incoming resources excluding exceptional items	**63,619**	**53,687**
Surplus per SOFA	36,842	955
Exceptional Item - merger revaluation	(34,770)	
Net income excluding exceptional items	**2,072**	**955**

Capital expenditure during the year was £3,181k (2023 - £5,400k).

Mill Hill School Enterprises made a gain of £548k for 12-month period to 31 August 2024, (2023 £531k).

As outlined in notes 8 and 9, the total staff related cost of The Foundation for the 12-month period to 31 August 2024 was £41,376k (2023 – £35,288k). The total staff cost includes teaching salary costs of £31,329k (2023 - £26,558k). The increase in staff cost was as a result of, pay increment for all staff arising from the annual pay review, pay progression and the inclusion of staff costs for the 3 new schools from the date of the mergers.

Remuneration Policy

Remuneration is covered by the Finance Committee and is delegated by the Court of Governors to determine on its behalf the pay and remuneration of the Executives (including the CEO, Heads, DFR and DO). The Committee considers a number of additional factors including an individual's contribution to the activities of The Foundation as a whole, affordability and remuneration offered by charities of a similar activity, size and complexity

The aims of the Remuneration Policy are to ensure:

- compliance with The Foundation 's charitable purposes and the requirements of FRS 102
- all employees of The Foundation are treated fairly and pay decisions are free from discrimination
- the London Living Wage is paid to all relevant Foundation employees, at least the minimum wage is paid to casual workers under the age of 21 years
- the remuneration provided by The Foundation to its employees is balanced between paying its employees fairly and competitively in order to attract and retain the best people for The Foundation and the duty to ensure value for money through the careful management of charity funds
- The Foundation manages its budget to effectively deliver its strategic development plans

"The Foundation manages its budget to effectively deliver its strategic development plans."

Key Performance Indicators

The Foundation assesses its success in the implementation and pursuit of its Charity strategy by the following key performance indicators:

- pupil numbers in the schools
- the academic results
- the achievements of its pupils in all areas of educational development including sport, music and drama

The financial performance indicators include:

- pupil numbers
- net fees
- total income
- total expenditure
- and education and Foundation surpluses

The Foundation continues to develop KPIs and measurements of performance to help Governors understand how The Foundation and its schools as a whole are performing, the direction of travel and if the objectives outlined in the strategy are being met.

Reserves, Financial Resources and Liquidity

As stated in Note 20 of the accounts, the funds of The Foundation are split between those available for day-to-day requirements of The Foundation, namely the Unrestricted Fund £91,246k (2023 - £36,499k), those which are restricted of £1,435k (2023 - £19,611k) and the Permanent Endowment Fund £3,177k (2023 - £2,906k). Included in this balance is a Pension Provision for the year of £80k (2023 - £80k, see Note 11).

The Reserves Policy is to maintain financial resources sufficient to meet The Foundation's normal working capital requirements, as well as current and future capital expenditure obligations. These resources include a combination of:

- the regular achievement, on an annual basis, of an acceptable level of positive internal generation of net operational cash flow, after operating expenses but to exclude a charge for depreciation:
- the availability of borrowings under one or more medium to long-term unsecured committed loan credit facilities; and
- to the extent feasible, the availability of further funds resulting from fundraising activities and initiatives which result in donations and contributions to The Foundation, in support of its educational objectives

Investment Policy

The Governors' current policy is to invest any surplus working capital funds in interest bearing deposits with a number of financial institutions, while maintaining sufficient financial resources to meet its normal operating and capital expenditure commitments. The Foundation Trusts hold equity income shares in the Charities Official Investment Fund ("COIF"). The Court of Governors consider COIF to be a most suitable investment vehicle for The Foundation because of its investment philosophy and ethical investment policy, its broad range of funds providing diversification of risk, and its exclusivity to Charity, faith and local authority clients. The Ousey and Winfrey Trusts hold a portfolio of shares and COIF income shares.

Risk Management

The Governors regularly assess political, financial and economic situations, the regulatory and legal framework, changes in social attitudes, and pupil and employee welfare in undertaking periodic reviews of the systems and procedures which are in place to manage risks. These are incorporated in The Foundation's "Risk Register" covering all entities within The Foundation. The management of risk is a routine part of the day-to-day operation and activities of The Foundation. The Executives regularly report to the Court of Governors both directly and through the relevant sub-committee on all matters concerning risk management, in particular risks arising from Health and Safety. As an independent fee-charging provider of education, whose pupil recruitment is both national and international, The Foundation is mindful of overall national and international economic conditions and recognises their potential impact on the Charity.

Appropriate procedures are in place to assess, and address identified risks. Health and Safety matters are co-ordinated through the Foundation Health and Safety Committee which reports to the Estates Committee. In addition, risk management controls relate to the areas of strategic planning, IT, Cyber security, budget and management accounting, formal written policies, financial authorisation and approval procedures, and safeguarding procedures for the protection of children. The Foundation's policies in the academic, pastoral and extra-curricular areas for each of the schools are subject to periodic review. The Governors recognise that systems cannot provide absolute assurance that all possible risks have been identified and managed but strive to ensure strategies, systems and plans are in place to mitigate these risks where possible to do so.

Key risks identified include:

Number	Risk	Mitigation
1	Unviable financial model due to external factors including Government actions. VAT on school fees, loss of Business Rate Relief and changes to National insurance announced in Autumn 24 Budget	The Foundation focuses on cash management & financial forecasting and its reserves The Foundation is undertaking a extensive review of its cost base and income streams
2	Data security and cyber security threats	The Foundation puts in place controls to support data and cyber security Security measures are in place and are continually reviewed to manage the IT networks Staff training is regularly undertaken to increase staff awareness
3	Increasingly onerous regulatory and legislative requirements	Relevant staff attend regular updates Membership of various industry bodies including HMC, IAPS, ISBA and AGBIS
4	Recruitment and retention of high caliber staff	Staff are paid competitive salaries, with training and development opportunities The Foundation is a London Living wage employer
5	Reputation damage to The Foundation from academic results, pastoral support, historic issue, governance or fraud	Academic and pastoral development plans in place Broad range of Governors, self-assessment of board. IT and financial Governors

Auditors

In accordance with Section 487(2) of the Companies Act, a resolution proposing the appointment of the Auditors will be put to the Court of Governors.

Approved by the Court of Governors on 8 April 2025.

.....

and signed on its behalf by, Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS, Chair of the Court of Governors.

Independent Auditor's Report to the Members of The Mill Hill School Foundation

Opinion

We have audited the financial statements of Mill Hill School Foundation for the year ended 31 August 2024 which comprise of the Group Statement of Financial Activities, the Group and Foundation Balance Sheet, the Group Cash Flow Statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at ended 31 August 2024 and of the group and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 group'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and parent charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to The Education (Independent School Standards) Regulation 2014, safeguarding regulations, health and safety requirements, GDPR, employment law and Charity Law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and consider other factors such as payroll taxes and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to improper recognition of income and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Inspecting the outcomes of any regulatory inspections;
- Discussions with management including consideration of known or suspected instances of non- compliance with laws and regulation and fraud;

- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates and challenge of the underlying assumptions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Tracey Young (Senior Statutory Auditor)

For and on behalf of HaysMac LLP, Statutory Auditors

Date: 11 April 2025

10 Queen Street Place
London
EC4R 1AG

The Mill Hill School Foundation

Statement of Financial Activities (including the income and expenditure statement) for the year ended 31 August 2024

	Notes	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment funds £000s	**Total 2024 £000s**	Total 2023 £000s
Income from:							
Charitable activities							
School fees	3	56,929	-	-	-	**56,929**	48,385
Other income							
Other educational income	4	4,520	-	-	-	**4,520**	3,638
Other trading income	5	1,252	-	-	-	**1,252**	1,147
Investments							
Investment income	6	406	-	96	-	**502**	167
Voluntary sources							
Grants and donations	7	-	6	410	-	**416**	350
Exceptional item	28	34,770	-	-	-	**34,770**	-
Total income and endowments		97,877	6	506	-	**98,389**	53,687
Expenditure on:							
Cost of raising funds							
Fundraising and development		100	-	-	-	**100**	45
Other trading costs		333	-	-	-	**333**	400
Interest and other costs		648	-	-	-	**648**	571
Charitable activities							
Education		60,455	-	282	-	**60,737**	51,672
Total expenditure	8	61,536	-	282	-	**61,818**	52,688
Net operating income/ (expenditure)		36,341	6	224	-	**36,571**	999
Net gains on investments	14	-	-	-	271	**271**	(44)
Net income/ (expenditure)		36,341	6	224	271	**36,842**	955
Transfer between funds	20	18,400	-	(18,400)	-	**-**	-
Net movement in funds		54,741	6	(18,176)	271	**36,842**	955
Fund balances brought forward		34,387	2,112	19,611	2,906	**59,016**	58,061
Fund balances carried forward	20,21	89,128	2,118	1,435	3,177	**95,858**	59,016

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Mill Hill School Foundation

Group and Foundation Balance Sheets as at 31 August 2024

	Notes	**2024 Group £000s**	2023 Group £000s	**2024 Foundation £000s**	2023 Foundation £000s
Fixed assets					
Tangible assets	13	**110,240**	76,045	**110,240**	76,045
Investments	14	**3,126**	2,855	**-**	-
		113,366	78,900	**110,240**	76,045
Current assets					
Stock	15	**70**	85	**70**	85
Debtors	16	**2,240**	1,058	**2,470**	844
Cash at bank and in hand		**23,099**	7,354	**21,595**	6,597
		25,409	8,497	**24,135**	7,526
Creditors: Amounts falling due within one year	17	**(22,490)**	(15,026)	**(22,389)**	(14,935)
Net current assets/(liabilities)		**2,919**	(6,529)	**1,746**	(7,409)
Total assets less current liabilities		**116,285**	72,371	**111,986**	68,636
Creditors: Amounts falling due after more than one year	18	**(20,347)**	(13,275)	**(20,347)**	(13,275)
Provisions for liabilities and charges	11	**(80)**	(80)	**(80)**	(80)
Net assets		**95,858**	59,016	**91,559**	55,281
Funds					
Restricted funds	20	**1,435**	19,611	**939**	19,199
Unrestricted funds	20	**91,246**	36,499	**90,620**	36,082
Endowment funds	20	**3,177**	2,906	**-**	-
Total funds	21	**95,858**	59,016	**91,559**	55,281

The Foundation has taken the exemption under Companies Act 2006 s.408 to omit its profit and loss account from the statutory group accounts. The Net Income during the year ended 31 August 2024 was £36,278k (2023 - £866k). Excluding the exceptional expenditure item the Net Income was £1,508k (2023 - £866k)

Approved and authorised for issue by the Court of Governors on 8 April 2025 and signed on their behalf by:

Elliot Lipton

Chair of the Court of Governors

The accompanying notes form part of these financial statements. Company Number: 3404450

The Mill Hill School Foundation

Group Cash Flow Statement
for the year ended 31 August 2024

	Notes	**2024** **£000s**	2023 £000s
Cash flows from operating activities:			
Net cash provided by operating activities	27	**7,608**	5,653
Cash flows from investing activities:			
Bank interest received		**406**	84
Dividends received		**97**	83
Payments to acquire fixed assets		**(3,181)**	(5,400)
Net cash used in investing activities		**(2,678)**	(5,233)
Cash flows from financing activities:			
Loans transferred on acquisition		**857**	-
Loans repaid		**(559)**	(749)
Finance lease payments		**(22)**	-
Costs associated with debt financing		**(43)**	-
Loan interest		**(605)**	(531)
Net cash used in financing activities		**(372)**	(1,280)
Fees in advance scheme:			
New fees in advance money		**12,799**	795
Amounts accrued to fees in advance contracts		**(446)**	(67)
Amount utilised		**(1,167)**	(950)
		11,186	(222)
Change in cash and cash equivalents in the reporting period		**15,744**	(1,082)
Cash and cash equivalents at the beginning of the period		**7,355**	8,437
Cash and cash equivalents at the end of the reporting period		**23,099**	7,355

1. ACCOUNTING POLICIES

The Mill Hill School Foundation is a charitable company limited by guarantee with registered number 3404450, incorporated and domiciled in England and Wales. Its registered office is Walker House, Millers Close, The Ridgeway, Mill Hill, NW7 1AQ.

1.1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP – Second Edition), the Companies Act 2006 and the Charities Act 2011.

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 thousand pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The Group comprise The Mill Hill School Foundation, Mill Hill School Enterprises and five separately registered charitable trusts linked to The Mill Hill School Foundation. The assets, liabilities and results of the wholly owned subsidiaries are consolidated into these financial statements. Summarised details of the subsidiary company are set out in Note 25. There are five separately registered charitable trusts linked to Mill Hill School, the assets, liabilities and results of these trusts are consolidated into these financial statements. Summarised details of the charitable trusts are as described in Note 24. All activities as per Consolidated Statement of Financial Activities (SOFA) relate to continuing operations.

Business combinations

Business combinations are accounted for using the acquisition method of accounting in accordance with the provisions set out within section 19 of FRS 102 of business combinations. Assets and liabilities received have been measured at their fair value net of any impairment losses. See note 28 for further details.

1.2. GOING CONCERN

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the current economic situation. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the governors continue to prepare the financial statements on a going concern basis.

1.3. COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee to the extent of £1 each from the guarantors at the present time, being the Governors of The Foundation.

1.4. FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Foundation.

1.5. DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6. GRANT INCOME

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.7. EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Costs of raising funds relates to finance interest, fundraising costs and costs associated with the trading subsidiaries.

Governance costs comprise the costs of running the Foundation, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

1.8. TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.9. FIXED ASSETS AND DEPRECIATION

All fixed assets are held to provide an on-going economic benefit to the Foundation through their contribution, directly or indirectly, to the provisions of goods or services by the Foundation. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date, with the exception of land and buildings.

Land was previously depreciated within Freehold Property as they are not separable from freehold property due to the historic nature of the site and lack of specific valuation to enable a split to be determined between land and freehold property elements. The Mount School freehold land, included in the Accounts at a cost of £33,500 is not depreciated. The land and buildings are not depreciated due to regular maintenance and are subject to an annual impairment review. Whilst The Foundation acknowledges that there is wear and tear to the properties as they are in constant use, the investment that is being put back into the properties is considered to be more than enough to offset any wear and tear that would decrease the value of the buildings. At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase unless they form part of a larger project.

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

- Land and Freehold property - not depreciated
- Furniture and equipment - 3.3% - 33.3% p.a
- Fixtures and fittings - 3.3% - 33.3% p.a
- Vehicles - 20% p.a.

The cost of the freehold property does not include any capitalised interest on borrowing costs relating to specific projects as The Foundation chooses not to capitalise this. The Foundation has introduced a rolling policy of fixed assets verification. Necessary adjustments to the fixed asset values and depreciation charges have been carried out when any fixed asset has been disposed of, either during its expected useful life or after it has been fully depreciated. All assets of The Foundation are held for charitable use with the exception of those held by Mill Hill School Enterprises.

1.10. STOCKS

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

1.11. PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

The Foundation also pays contributions into the scheme for teaching staff on the basis of contribution rates recommended by the Teachers Pensions Agency. As described in Note 11, this scheme is accounted for as a defined contribution scheme, using the exemption permitted in FRS 102 for multi-employer schemes.

The Foundation also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

1.12. LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.13. INVESTMENTS

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

1.14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.15. FINANCIAL INSTRUMENTS

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.16. ADVANCED FEE PAYMENT SCHEME

The Advanced Fee Payment Scheme commenced in the Autumn Term 2006. Under the Scheme parents enter into a contract to pay The Foundation a minimum of 4 Terms and a maximum of 42 Terms (14 years) tuition fees in advance. The discounts given with the Advanced Fee Payment Scheme are recognised on the Balance Sheet and will be written off over the life of the relevant advance payment. A portion of the Advanced Fee Payment may be returned under specific conditions (see note 19 for detail).

1.17. TAXATION

The Foundation is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 2010.

1.18. EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when The Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19. FUNDS

The Foundation maintains four types of fund:

- Restricted: where the purpose for which the funds may be used have been restricted by donors.
- Unrestricted: where funds are for the use of the Governors for the general purposes of The Foundation.
- Endowed: an endowment fund to generate income for the three Trust Funds; the incoming resources from endowment funds are restricted.
- Designated: funds which have been allocated for a specific purpose by the Court of Governors. See note 20 for details of in-year movements of funds.

2. KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The trustees consider that investment in the properties is sufficient to offset any wear and tear that would decrease the value of the buildings. This policy will be reviewed each year and if there are indications that depreciation will no longer be immaterial or if there are any indications of impairments the policy will be changed. See note 13 for the carrying amount of the property, plant and equipment and note 1.9 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The Foundation makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Fair value of the acquired schools

The Foundation used independent valuers to value the freehold buildings of the acquired schools. The valuations are based upon key assumptions of estimated value in use. In determining the fair value the valuers make reference to market evidence.

3. FEE INCOME

The School's activities are carried out within the UK. The school's fee income comprised:

	2024 £000s	2023 £000s
Gross fees	**59,926**	51,060
Less: Scholarships and bursaries	**(2,774)**	(2,456)
Less: Discounts	**(505)**	(426)
	56,647	48,178
Add back: Bursaries and other awards paid for by restricted funds	**282**	207
	56,929	48,385

4. OTHER EDUCATIONAL INCOME

Other educational income consists of:

	2024 £000s	2023 £000s
Extras and disbursements	**1,520**	1,451
Registration Fees	**285**	310
Fees in lieu of notice	**392**	509
School trips	**1,203**	962
Other income	**1,120**	406
	4,520	3,638

Amounts received in respect of restricted funds were Nil in 2023.

5. OTHER TRADING INCOME

Other trading income consists of:

	2024 £000s	2023 £000s
Rent and lettings	**119**	159
Profit on disposal of assets	**23**	7
Enterprise company	**1,110**	981
	1,252	1,147

Amounts received in respect of restricted funds were Nil in 2023.

6. INVESTMENT INCOME

	2024 £000s	2023 £000s
Interest receivable	**406**	84
Dividend income	**96**	83
	502	167

Amounts received in respect of restricted funds were £83,000 in 2023.

7. DONATIONS AND GRANTS

	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment funds £000s	**2024 £000s**	2023 £000s
Donations and grants	-	6	410	-	**416**	350

Amounts received in respect of restricted funds were £347,000 in 2023.

8. EXPENDITURE

	Staff costs £000s	Other £000s	Depreciation £000s	**Total 2024 £000s**
Teaching	31,328	4,548	-	**35,876**
Welfare	3,636	2,460	-	**6,096**
Premises and Estates	1,545	4,782	2,858	**9,185**
Support costs	4,654	4,590	-	**9,244**
Finance costs	-	648	-	**648**
Trading costs	213	220	-	**433**
Governance	-	336	-	**336**
	41,376	17,584	2,858	**61,818**

Included within expenditure is an amount of £282k (2023: £317k) relating to restricted expenditure.

Included within finance costs is £43k relating to costs associated with the fees in advance scheme, and £605k relating to loan interest (2023: £37k relating to the fees in advance scheme and £524k relating to loan interest).

Prior year	Staff costs £000s	Other £000s	Depreciation £000s	Total 2023 £000s
Teaching	26,558	3,777	-	30,335
Welfare	3,110	2,196	-	5,306
Premises and Estates	1,239	4,449	2,516	8,204
Support costs	4,025	3,388	-	7,413
Finance costs	-	571	-	571
Trading costs	227	218	-	445
Governance	129	285	-	414
	35,288	14,884	2,516	52,688

Other Governance Costs included:

	2024 £000s	2023 £000s
Auditors' remuneration		
- Audit Fees	**56**	50
- under provision from previous year	**-**	26
- Accountancy Fees	**7**	12
- Other Auditors remuneration	**-**	23
	63	111

Support costs include:

	2024 £000s	2023 £000s
Staff costs	**4,402**	3,864
Other Staff Costs	**252**	161
IT support	**808**	715
Postage and stationery	**344**	320
Telephones	**134**	157
Marketing and advertising	**1,504**	1,007
Administration	**702**	607
Bad debts	**116**	69
Legal and Professional Fees	**940**	485
Bank charges and interest	**42**	28
	9,244	7,413

9. STAFF COSTS

Total staff costs comprised:

	2024 £000s	2023 £000s
Wages and Salaries	**31,514**	26,887
Redundancy and settlement costs	**320**	61
Social security costs	**3,414**	2,871
Other pension costs	**5,270**	4,171
Other staff costs	**858**	1,298
	41,376	35,288

The number of employees who received remuneration under redundancy and settlement costs were 13 (2023: 8)

The average number of employees during the year was as follows:

	2024 No.	2023 No.
Teaching	452	315
Non-Teaching	616	409
	1,068	724

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2024 No.	2023 No.
£60,000 to £70,000	49	66
£70,001 to £80,000	56	35
£80,001 to £90,000	34	9
£90,001 to £100,000	5	3
£100,001 to £110,000	1	2
£110,001 to £120,000	1	1
£120,001 to £130,000	2	1
£130,001 to £140,000	1	-
£170,001 to £180,001	1	-
£190,001 to £200,000	-	3
£210,001 to £220,001	1	-

Key management personnel include the CEO, Foundations' Headteachers, the Director of Finance and Resources and Director of Operations. The total number of key management personnel receiving pay and benefits is 17 (2023: 10). The total pay and benefits received by key management personnel were £2,031,000 (2023: £1,718,000).

10. GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration for the year ended 31 August 2024 nor for the year period 31 August 2023. 11 Governors (2023: 6) were reimbursed travel expenses totalling £8,302 (2023: £2,000).

11. PENSIONS

The school participates in the Teachers' Pension Scheme ('the TPS') for its teaching staff. The pension for the year includes contributions payable to the TPS of £4,598,000 (2023: £3,624,000).

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 provide by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaking by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation has valued the ‘greater value’ benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

With effect from 1 September 2024, the TPS was closed to new entrants.

In January 1993, a Money Purchase, Group Personal Pension Scheme for non-teaching staff was established. Initially, it was available to those who wished to join once a one year qualifying period had passed. In April 2002, this was reduced to a three month qualifying period. This reduction in qualifying period allowed the Foundation to be exempted from the requirement to provide a Stakeholder Pension Scheme as required by the Government. The total cost to the Foundation from the Group Personal Pension Scheme in 2024 was £672,000 (2023: £534,000).

Outstanding at the year end £684,000 (2023: £88,000).

In addition, the Foundation has unfunded pension arrangements, which have been closed to new members since December 1978. The unfunded pension obligations of these arrangements call for making annual payments to 2 retired members of staff (2023: 4 retired members of staff) which are charged to expenditure in the year. Payments in the year were £3,700 (2023: £9,000) and a reduction in the value of the liability of £Nil (2023: £Nil) has been recognised in the year. In the abscence of a formal actuarial valuation of this scheme, a liability equivalent to the latest annuity purchase value has been recognised in the balance sheet at a value of £80,000 (2023: £80,000).

12. NET INCOME FOR THE YEAR

	2024 £000s	2023 £000s
Net income is stated after charging:		
Depreciation of tangible fixed assets	**2,858**	2,516
Operating lease rentals – other	**165**	245
Auditor's remuneration		
- Audit services for the Foundation - current year	**50**	50
- Audit services for the Foundation - prior year under provision	**-**	26
- Audit services for the subsidiary	**6**	7
- Non-audit services	**6**	35

13. FIXED ASSETS

Group:	Freehold property £000s	Fixtures, fittings, furniture & equipment £000s	Motor vehicles £000s	**Total £000s**
Cost				
At 1 September 2023	77,257	18,565	518	**96,340**
Transfer in of assets on acquisition	39,491	4,676	303	**44,470**
Additions	854	2,327	-	**3,181**
Disposals	-	(63)	(126)	**(189)**
At 31 August 2024	117,602	25,505	695	**143,802**
Depreciation				
At 1 September 2023	7,917	11,964	414	**20,295**
Depreciation transferred on acquisition	6,658	3,704	236	**10,598**
Charge for the year	125	2,689	44	**2,858**
Disposals	-	(63)	(126)	**(189)**
At 31 August 2024	14,700	18,294	568	**33,562**
Net book value				
At 31 August 2024	102,902	7,211	127	**110,240**

At 1 September 2023	69,340	6,601	104	**76,045**

The cost of freehold property represents the historical value recorded in the books of the Foundation consisting of £15,450,000, the value placed in 1872 on the land and buildings of the 1869 New Foundation, and the net cost of additions since that date. The court are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £361,092,177 (2023: £331,145,000). An annual impairment review is undertaken. See note 1.9 for more detail.

The Foundation has long-held historic assets which are used in the course of its teaching. These collections include antiquities and works of art. These historic assets were appraised by Bonhams during the 2024 year to the value of £237,400 and are insured through an appropriate policy. As the assets are in regular use to support the main objects of The Foundation, they are regarded as functional rather than heritage assets.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £22,000 (2023: £14,000) for the period.

	2024 £000s	2023 £000s
IT Equipment	-	4

14. INVESTMENTS

Group	**Listed Investments 2024 £000s**	**Total 2024 £000s**	Listed Investments 2023 £000s	Investment properties 2023 £000s	Total 2023 £000s
Cost/valuation at 31 August 2023	**2,855**	**2,855**	2,926	194	3,120
Disposals	-	-	-	(221)	(221)
Gains arising from movements in valuations	**271**	**271**	(71)	27	(44)
Cost/valuation at 31 August 2024	**3,126**	**3,126**	2,855	-	2,855
Historic cost	**1,856**	**1,856**	1,856	-	1,856

Foundation	**Investment properties Total 2024 £000s**	Investment properties Total 2023 £000s
Cost/valuation at 31 August 2023	-	194
Disposals	-	(221)
Gains/(Losses) arising from movement in valuations	-	27
Cost/valuation at 31 August 2024	-	-
Historic cost	-	-

15. STOCK

	2024 £000s	2023 £000s
Stock	**70**	85

16. DEBTORS

	2024 Group £000s	2023 Group £000s	2024 Foundation £000s	2024 Foundation £000s
Fees and extras	**2,124**	1,162	**1,942**	972
Less provision for doubtful debts	**(937)**	(886)	**(835)**	(886)
Other debtors	**116**	94	**116**	87
Amount due from group undertaking	-	-	**346**	-
Prepayments and accrued income	**937**	688	**901**	671
	2,240	1,058	**2,470**	844

17. CREDITORS: Amounts due within one year

	2024 Group £000s	2023 Group £000s	2024 Foundation £000s	2024 Foundation £000s
Loans	**680**	581	**680**	581
Trade creditors	**2,114**	2,050	**2,005**	1,961
Taxation and social security costs	**879**	115	**842**	70
Deposits from parents	**2,508**	2,450	**2,508**	2,450
Fees received from parents in advance of term	**8,524**	8,305	**8,524**	8,305
Fees in advance scheme	**6,025**	880	**6,025**	880
Other creditors	**881**	274	**769**	265
Accruals	**875**	350	**860**	331
Amounts payable under finance leases	**4**	21	**4**	21
Amounts due to group undertaking	-	-	**172**	71
	22,490	15,026	**22,389**	14,935

	Group & Foundation	
	2024 £000s	2023 £000s
Deferred income:		
Brought forward	**8,305**	8,374
Released in year	**(8,305)**	(8,374)
Received in year	**8,524**	8,305
Carried forward	**8,524**	8,305

Deferred income relates to school fees received in advance for the following term.

18. CREDITORS: Amounts due after one year

	Group & Foundation	
	2024 £000s	2023 £000s
Bank loans	**8,087**	7,888
Amounts payable under finance leases	**-**	5
School fee deposits	**5,958**	5,122
Fees in advance scheme	**6,302**	260

	20,347	13,275

Notes to the Financial Statements for the year ended 31 August 2024

	Group & Foundation	
	2024 £000s	2023 £000s
Bank loans:		
In one year or less	**680**	581
Between one and two years	**3,329**	438
Between two and five years	**1,969**	3,621
After five years	**2,789**	3,829
	8,767	8,469
School fee deposits:		
In one year or less	**2,508**	2,450
Between one and two years	**1,164**	1,198
Between two and five years	**2,585**	1,579
After five years	**2,209**	2,345
	8,466	7,572
Finance leases:		
In one year or less	**4**	21
Between one and two years	**-**	5
Between two and five years	**-**	-
After five years	**-**	-
	4	26

The Foundation has two loan facilities with National Westminster Bank Plc of £2.5m and £6m. The loans are repayable in quarterly instalments of £69k and £102k per annum. The maturity dates for the facilities are 16 October 2028 and 28 August 2034. Interest on the amounts drawn is charged at a rate of SONIA plus 2.25% on the first loan and a fixed rate of SONIA + 2.25% on the second. The Foundation entered into an interest rate swap agreement on October 2013 at a rate of 3.48% on the first loan. The effective interest rate on this loan is 5.73%.

Interest charged in the year on amounts drawn totalled £87,000 and £292,000 (2023: £76,000 and £271,000) and the balance outstanding at balance sheet date were £5.9m and £1.2m respectively.

The Foundation has two loan facilities with Allicia Bank who bought the loan book from Allied Irish Bank of £4m and £3m. The £4m loan is repayable in quarterly instalments totalling £381k per annum. The maturity date of the facility was 31 December 2023. Interest on the amounts drawn was charged at a rate of 4.99% per annum. The £3m loan is repayable by quarterly instalments of £12.5k for the first 5 years and then increasing to £81k exclusive of interest. The maturity date of the facility is 31 October 2025. Interest on the amounts drawn is charged at a rate of SONIA plus 2.5%.

Interest charged in the year on amounts drawn totalled £216,000 (2023: £18,000 and £173,000) and the balance outstanding at balance sheet date was £3.0m.

The Foundation has two loan facilities with Barclays Bank of £524k and £844k. These were transferred to the Foundation on the acquisition of Kingshott School. The £524k loan is repayable in quarterly instalments totalling £68k per annum. The maturity date of the facility is 21 July 2028. Interest on the amounts drawn is charged at a rate of 2.74% per annum. The £844k loan is repayable by monthly instalments of £4.6k. The maturity date of the facility is 21 February 2035. Interest on the amounts drawn is charged at a rate of 3.12% plus a margin of 2.25%.

Interest charged in the year on amounts drawn totalled £5,000 and £20,000 and the balance outstanding at balance sheet date were £277k and £695k respectively.

19. FEES IN ADVANCE SCHEME

Parents may enter into a contract to pay the School in advance for fixed contributions towards tuition fees for up to five years. The money may be returned subject to specific conditions on the receipt of notice. Assuming pupils will remain in the School, fees in advance will be applied as follows:

	Group & Foundation	
	2024	2023
	£000s	£000s
After five years	**590**	22
Within two to five years	**2,511**	45
Within one to two years	**3,201**	193
	6,302	260
Within one year	**6,025**	880
	12,327	1,140

Summary of movements in liability

	Group & Foundation	
	2024	2023
	£000s	£000s
Balance at 1 September	**1,140**	1,362
New contracts	**12,799**	795
Amounts used to pay fees	**(1,167)**	(950)
	12,772	1,207
Amounts accrued to contract as debt financing cost	**(445)**	(67)
Balance at 31 August	**12,327**	1,140

20. STATEMENT OF FUNDS

Group	At 1 September 2023 £000s	Income £000s	Expenditure £000s	Transfer between funds £000s	Gains/ (losses) £000s	**At 31 August 2024 £000s**
Unrestricted funds:						
General reserve	34,387	97,877	(61,536)	18,400	-	**89,128**
Designated Fund	1,996	-	-	-	-	**1,996**
Designated fund (donations & fundraising)	116	6	-	-	-	**122**
	36,499	97,883	(61,536)	18,400	-	**91,246**
Restricted funds:						
Other Restricted Funds	823	429	(257)	-	-	**995**
ABC Bursaries	388	77	(25)	-	-	**440**
Cobham Hall School	10,650	-	-	(10,650)	-	-
Lyonsdown School	3,000	-	-	(3,000)	-	-
Keble School	4,750	-	-	(4,750)	-	-
Total restricted	19,611	506	(282)	(18,400)	-	**1,435**
Endowment fund	2,906	-	-	-	271	**3,177**
			-			
Total funds	59,016	98,389	(61,818)	-	271	**95,858**

Group	At 1 September 2022 £000s	Income £000s	Expenditure £000s	Transfer between funds £000s	Gains/ (losses) £000s	At 31 August 2023 £000s
Unrestricted funds:						
General reserve	33,564	53,461	(52,578)	(87)	27	34,387
Designated Fund	1,996	-	-	-	-	1,996
Designated fund (donations & fundraising)	113	3	-	-	-	116
	35,673	53,464	(52,578)	(87)	27	36,499
Restricted funds:						
Other Restricted Funds	692	237	(151)	87	(42)	823
ABC Bursaries	361	193	(166)	-	-	388
Cobham Hall School	10,650	-	-	-	-	10,650
Lyonsdown School	3,000	-	-	-	-	3,000
Keble School	4,750	-	-	-	-	4,750
Total restricted	19,453	430	(317)	87	(42)	19,611
Endowment fund	2,935	-	-	-	(29)	2,906
Total funds	58,061	53,894	(52,895)	-	(44)	59,016

Fund Details

The following is a summary of the origins and purpose of each of the Funds

Endowment Funds - Permanent

The Scholarships, Prizes and University Trust Funds comprise three separate Trusts established by way of donations to provide financial assistance to The Foundation's pupils and former pupils.

Restricted Funds

Trust funds, held within 'other restricted funds' consist of:

Mill Hill School Scholarships & Bursaries Trust: the trust was created by a Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Funds and its income, for Scholarships & Bursaries at Mill Hill School.

Mill Hill School University Entrance Scholarship Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for the leaving Scholarships from Mill Hill School for entrance to British Universities.

Mill Hill School Prizes Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for prize awards to pupils at Mill Hill School to recognise merit shown by the pupils in the academic, artistic and technical performance or in the development of character.

ABC Bursaries Fund: A Better Chance (ABC) Bursaries Fund supports bursary students at Belmont and Mill Hill School. Development offices coordinate various fundraising campaigns amongst Old Millhillian, Old Belmontian and parent body in support of the fund.

Cobham Hall School: The Foundation acquired Cobham Hall School in 2021, and independent day and boarding school for girls. The land and the buildings have been previously recognised in restricted funds, but this has been revisited and it has been established that there is no binding restriction in place over these assets. Therefore they have been transferred to unrestricted funds in year.

Lyonsdown School: During the prior year the Foundation acquired Lyonsdown School, an independent day school. The land and the buildings have been previously recognised in restricted funds, but this has been revisited and it has been established that there is no binding restriction in place over these assets. Therefore they have been transferred to unrestricted funds in year.

Keble School: During the prior year the Foundation acquired Keble School, an independent day and boarding school for girls. The land and the buildings have been previously recognised in restricted funds, but this has been revisited and it has been established that there is no binding restriction in place over these assets. Therefore they have been transferred to unrestricted funds in year.

Unrestricted Funds

Designated fund (donation & fundraising) was established in 2007 from fundraising activities to support The Mill Hill School Foundation's educational and business development plan. New designated fund was established in 2017 to provide for the planning capital expenditure and unforeseen events such as fire and flood. The Foundation commissioned a detailed survey of its Estate in 2017, the survey has recommended a 10-year repairs and maintenance program costing over £7,700k. The general reserve £89,128k value at August 2024, £88,502k relates to The Foundation (2023:£33,970k) and £626k relates to Mill Hill School Enterprises (2023:£417k).

The transfer of funds represent the completion of specific projects.

Notes to the Financial Statements for the year ended 31 August 2024

Foundation	At 1 September 2023 £000s	Income £000s	Expenditure £000s	Transfer between funds £000s	Gains/ (losses) £000s	**At 31 August 2024 £000s**
Unrestricted funds:						
General reserve	33,970	97,106	(60,974)	18,400	-	**88,502**
Designated Fund	1,996	-	-	-	-	**1,996**
Designated fund (donations & fundraising)	116	6	-	-	-	**122**
	36,082	97,112	(60,974)	18,400	-	**90,620**
Restricted funds:						
Other Restricted Funds	411	333	(245)	-	-	**499**
ABC Bursaries	388	77	(25)	-	-	**440**
Cobham Hall School	10,650	-	-	(10,650)	-	-
Lyonsdown School	3,000	-	-	(3,000)	-	-
Keble School	4,750	-	-	(4,750)	-	-
Total restricted	19,199	410	(270)	(18,400)	-	**939**
Endowment fund	-	-	-	-	-	-
Total funds	55,281	97,522	(61,244)	-	-	**91,559**

Foundation	At 1 September 2022 £000s	Income £000s	Expenditure £000s	Transfer between funds £000s	Gains/ (losses) £000s	At 31 August 2023 £000s
Unrestricted funds:						
General reserve	33,079	53,461	(52,510)	(87)	27	33,970
Designated Fund	1,996	-	-	-	-	1,996
Designated fund (donations & fundraising)	113	3	-	-	-	116
	35,188	53,464	(52,510)	(87)	27	36,082
Restricted funds:						
Other Restricted Funds	466	237	(337)	87	(42)	411
ABC Bursaries	361	193	(166)	-	-	388
Cobham Hall School	10,650	-	-	-	-	10,650
Lyonsdown School	3,000	-	-	-	-	3,000
Keble School	4,750	-	-	-	-	4,750
Total restricted	19,227	430	(503)	87	(42)	19,199
Endowment fund	-	-	-	-	-	-
Total funds	54,415	53,894	(53,013)	-	(15)	55,281

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Unrestricted funds £000s	Restricted funds £000s	Endowment funds £000s	**2024 Total £000s**
Tangible fixed assets	110,240	-	-	**110,240**
Investments	(51)	-	3,177	**3,126**
Current assets	23,974	1,435	-	**25,409**
Current liabilities	(22,490)	-	-	**(22,490)**
Long term liabilities	(20,427)	-	-	**(20,427)**
Total net assets	91,246	1,435	3,177	**95,858**

Group	Unrestricted funds £000s	Restricted funds £000s	Endowment funds £000s	2023 Total £000s
Tangible fixed assets	57,645	18,400	-	76,045
Investments	(51)	-	2,906	2,855
Current assets	7,286	1,211	-	8,497
Current liabilities	(15,026)	-	-	(15,026)
Long term liabilities	(13,355)	-	-	(13,355)
Total net assets	36,499	19,611	2,906	59,016

Foundation	Unrestricted funds £000s	Restricted funds £000s	Endowment funds £000s	**2024 Total £000s**
Tangible fixed assets	110,240	-	-	**110,240**
Investments	-	-	-	-
Current assets	23,196	939	-	**24,135**
Current liabilities	(22,389)	-	-	**(22,389)**
Long term liabilities	(20,427)	-	-	**(20,427)**
Total net assets	90,620	939	-	**91,559**

Foundation	Unrestricted funds £000s	Restricted funds £000s	Endowment funds £000s	2023 Total £000s
Tangible fixed assets	57,645	18,400	-	76,045
Investments	-	-	-	-
Current assets	6,727	799	-	7,526
Current liabilities	(14,935)	-	-	(14,935)
Long term liabilities	(13,355)	-	-	(13,355)
Total net assets	36,082	19,199	-	55,281

22. COMMITMENTS UNDER OPERATING LEASES

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

	2024 Plant & Machinery £000s	**2024 Other £000s**	2023 Plant & Machinery £000s	2023 Other £000s
Due within one year	**38**	**88**	144	94
Due between one to two years	**27**	**71**	274	87
Due between two to five years	**13**	**68**	-	147
	78	**227**	418	328

23. RELATED PARTIES

There were no related party transactions.

24. TRUST FUNDS

- Mill Hill School Scholarships and Bursaries Trust
- Mill Hill School University Entrance Scholarship Trust
- Mill Hill School Prizes Trust
- The Ousey Scholarship Trust
- Sir Richard Winfrey Memorial Scholarship

The combined results for the above Trust Funds for the period ended 31 August 2024 are:

	2024 £000s	2023 £000s
Net assets as at 31 August 2023		
Income	**97**	103
Expenditure	**(12)**	(75)
Excess expenditure over income	**85**	28
Unrealised gains on investments	**165**	22
Net Assets as at 31 August 2024	**3,499**	3,249

The Trust Funds provide financial assistance to The Foundation's pupils and to former pupils during the period at university. The total of such payments in 2024 for pupils in the school was £12k (2023: £75k).

Further information may be obtained from the Director of Finance and Resources at its registered address, which is The Mill School Foundation, Walker House, Millers Close, The Ridgeway, Mill Hill, London, NW7 1AQ.

25. CONTROLLED ENTITIES

Mill Hill School Enterprises is a company limited by guarantee and is controlled by The Mill Hill School Foundation which is a company registered in England and Wales, number 1690525. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2024 and the year ending 31 August 2023 are detailed as follows:

	2024 £000s	2023 £000s
Income	**1,089**	981
Expenditure	**(546)**	(450)
Rent paid to The Mill Hill School Foundation	**-**	-
Excess of income over expenditure*	**543**	531
Assets	**1,307**	753
Liabilities	**(514)**	(162)
Net assets at year end	**793**	591

*an annual rental of £50k (2023: £50k), salary and pension of £207k (2023: £218k), heat and light of £3.6k (2023: £3.6k), repairs and maintenance of £1k (2023: £1k), telephone of £237 (2023: £723)) was paid to The Foundation. The year-end surplus (excess of income over expenditure) of Mill Hill School Enterprises for 2024 is £543k (2023: £531k). The year-end surplus (if any) is distributed to The Mill Hill School Foundation under the gift aid scheme.

Mill Hill School Education Group International Limited is a company limited by guarantee and is controlled by The Mill Hill School Foundation which is a company registered in England and Wales, number 15727579.

It was incorporated on 18 May 2024 and its first period account will be the period from 18 May 2024 to 31 August 2025. There was no income or expenditure in the period ending 31 August 2024, however there as an intercompany balance due from The Mill Hill School Foundation of £100k, as well as an equal amount of deferred income recognised.

26. CAPITAL COMMITMENTS

Capital expenditure authorised and contracted at 31 August 2024 totalled £nil (2023: £nil). The Foundation has to make significant ongoing investments to maintain its historical buildings and grounds. An independent survey commissioned by The Foundation in 2017 recommended a total investment of £7.7 million in capital expenditure over the 10 year period.

27. NOTES TO THE CASHFLOW STATEMENT

	2024 £000s	2023 £000s
Reconciliation of operating result to net cash inflow from operating activities		
Net movement in funds	**36,842**	955
Gains on investments	**(271)**	265
Depreciation	**2,858**	2,516
Investment income	**(406)**	(84)
Dividends received	**(97)**	(83)
Interest paid	**605**	531
Profit/(Loss) on sale of Fixed Assets	**23**	-
(Increase)/Decrease in stocks	**15**	6
(Increase)/Decrease in debtors	**(1,182)**	(323)
Increase/(Decrease) in creditors (excluding fees in advance scheme)	**3,350**	1,870
Fair value of assets transferred in	**(34,129)**	-
	7,608	5,653

Analysis of changes in net debt

	As at 31 August 2023 £000s	Cash flows £000s	Other non-cash changes £000s	**As at 31 August 2024 £000s**
Cash and cash equivalents				
Cash	7,354	15,745	-	**23,099**
Borrowings				
Debt due within one year	(581)	(99)	-	**(680)**
Debt due after one year	(7,888)	(199)	-	**(8,087)**
Fees in advance scheme due within one year	(880)	(5,145)	-	**(6,025)**
Fees in advance scheme due after one year	(260)	(6,041)	-	**(6,301)**
Finance leases	26	(22)	-	**4**
	(9,583)	(11,506)	-	**(21,089)**
Total	(2,229)	4,239	-	**2,010**

28. MERGERS

St Joseph's

On 27 October 2023, the Foundation merged with St Joseph's in the Park School, an incorporated charity limited by guarantee, incorporated in England and Wales, company number 05422009 and charity number 1111064. The consideration was for £1. On that date St Joseph's in the Park School transferred all of its trade and net assets to the Foundation, except for the freehold which was acquired by the Foundation in February 2023. St Joseph's in the Park School has been dormant since 28 October 2023.

	Book value £000s	Fair value £000s
Cash and cash equivalents	1,275	1,275
Leasehold improvements	1,066	1,066
Property, plant and equipment	50	50
Current assets	420	420
Current liabilities	(685)	(685)
Net assets	2,126	2,126

Kingshott

On 17 May 2024, the Foundation merged with Kingshott School, an incorporated charity limited by guarantee, incorporated in England and Wales, company number 1507581 and charity number 280626. The consideration was for £1. On that date Kingshott School transferred all of its trade and net assets to the Foundation. Kingshott School has been dormant since 18 May 2024.

	Book value £000s	Fair value £000s
Cash and cash equivalents	2,597	2,597
Freehold buildings	11,664	11,664
Property, plant and equipment	192	192
Current assets	422	422
Current liabilities	(4,373)	(4,373)

Net assets	10,502	10,502

Abbots Hill

On 8 July 2024 the Foundation merged with Abbots Hill School, an incorporated charity limited by guarantee, incorporated in England and Wales, company number 08194506 and charity number 312979. The consideration was for £1. On that date Abbots Hill School transferred all of its trade and net assets to the Foundation. Abbots Hill School has been dormant since 9 July 2024.

	Book value £000s	Fair value £000s
Cash and cash equivalents	5,206	5,206
Freehold buildings	8,649	20,050
Property, plant and equipment	618	618
Current assets	545	545
Current liabilities	(4,277)	(4,277)
Net assets	10,741	22,142

29. POST BALANCE SHEET EVENTS

After the year end, the Foundation entered into agreements to merge with Heathfield School (charity number 309086) and Westbrook Hay School (charity number 292537) with effect from 1 September 2025. Under the terms of the merger deeds the operations, assets and liabilities of the Schools will be transferred to the Foundation on 1 September 2025.

Instilling values, inspiring minds.

Mill Hill
EDUCATION GROUP

The Mill Hill Education Group is the brand name for The Mill Hill School Foundation.
Registered in England: number 3404450
Registered office: Walker House, Millers Close, The Ridgeway, Mill Hill, London NW7 1AQ
Registered charity number: 1064758.

THE MILL HILL SCHOOL FOUNDATION

England & Wales - Charity number 1064758

Accounts

Mill Hill
EDUCATION GROUP

Annual Report of the Governors

THE MILL HILL SCHOOL FOUNDATION

Company Registration Number: 03404450

Instilling values, inspiring minds

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Court of Governors

The Governors present their Annual Report and audited Consolidated Financial Statements for the Mill Hill School Foundation (trading as the Mill Hill Education Group), for the year ended 31 August 2023 and confirm that they comply with the requirements of the Charities Act 2011, The Companies Act 2006 and the Charities SORP FRS 102.

Court of Governors	Election/ Leaving Date (1 September 2022 - 9 December 2023)	Committee Membership
Chair of the Court of Governors Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS		Ex-officio. S(Ch), T
Vice Chair of the Court of Governors Mrs Stephanie J Miller, BA (Hons)		A, E, F, G(Ch), P(Ch), S
Professor Eric WFW Alton, MA MB, BS, MD, FRCP, FHEA, FERS, FMedSci	Stepped down on 17 June 2023	A(Ch), G, S
Mrs Charlotte Avery, MA (Oxon)		A
Mr Simon Bayliss BSc(Hons), PGCE, MSc	Stepped down on 14 October 2022	P
Mrs Kamal Dhillon BSc (Hons)		F
Mr Paul Dunleavy BA (Hons) CISSP-ISSAP CISM CDPO MBCS.		A, E, S
Mr Malcolm Gough BA, LLB, LLM, PGCE	Appointed on 1 September 2022, stepped down 18 September 2023	A
Mr Vernon Hales	Appointed on 22 November 2023	A
Mr R A Eliott Lockhart MA MPhil	Stepped down on 12 October 2022	A, S
Mr Andrew Millet BA MBA FCA		F(Ch), G, S
Mrs Mary Moore MSC BA FCIPD		F,P, S
Mr Noyan Nihat		E, F, S
Dr Kiki O'Neill-Byrne BA (Hons), MB, BCh, BAO, Dip. Clin. Psych., FRCPsych		P
Mrs Mangal Patel MBA		A, E, S
Mr Tony Poole BSc (Hons) Arch Eng, BA (Hons) Arch, Dip Arc	Appointed 7 October 2023	E
Mr Mark Skelly BEng (Hons) PhD RAEngVTF		E(Ch), G, S
Mrs Sunena Stoneham LLB (Hons), LPC	Stepped down on 14 September 2022	F, G(Ch), S
Mr Nigel Taylor MA	Appointed on 1 September 2022	A, P
Mr David Tyme LLB (Hons)		F

A – Academic Committee, E – Estates Committee, F - Finance Committee, P – Pastoral Committee, G – Governance Committee, S – Strategy Committee, T - Trustees Committee, Ch – Chair of Committee.

Strategic Report

Our Aims and Objectives

The Foundation aims to develop thoughtful, motivated and responsible young people with a global outlook through the provision of a first-class education to boys and girls from 3 years to 18 years and to support its pupils in the passage from childhood to adulthood; we help them to thrive and find their own path to happiness and success through the range of curricular and co-curricular opportunities presented by each of our schools. Our principal activity is the education and pastoral care of our pupils.

Aims.

To provide excellence in education:

- To bring out the best in every individual child
- To develop moral integrity and the confidence in pupils to be themselves
- To nurture pupils from childhood to adulthood
- To build a sense of community and environmental awareness

This is achieved by:

- Providing an optimum environment in which outstanding learning can take place
- Maintaining a forward looking curriculum which establishes strengths in the core subjects but is also broad and flexible enough to adapt to the demands of the 21st Century
- Equipping pupils with the critical thinking tools and habits of mind that enable them to thrive in the modern, global environment
- Creating a culture across the Foundation that embraces the importance of staff development and wellbeing to support the recruitment and retention of th best staff

Objectives

To bring out the best in every individual child, building resilience and preparation for future life

This is achieved by:

- Ensuring that Safeguarding is at the heart of all that our schools do
- Providing a range of opportunities that foster the development of skills and attributes like confidence, compassion, collaboration, creativity, curiosity, flexibility, leadership and communication
- Supporting the development of cultural capital that will enhance pupils' enjoyment of life, now and in the future
- Having high expectations of all pupils and a belief that everyone can achieve and succeed

To develop moral integrity and the confidence in pupils to be themselves

This is achieved by:

- Respecting and celebrating our diversity whilst being united in our shared values and traditions
- Encouraging independence of thinking and the responsible articulation of beliefs
- Encouraging pupils to be self-aware, to value their individuality and the needs of others.
- Motivating pupils to recognise their place in the world and their responsibilities to the wider world

To build a sense of community and environmental awareness

This is achieved by:

- Working in close partnership with parents, alumni and the local community
- Encouraging compassion and social responsibility in pupils
- Engaging our pupils in environmentally-conscious attitudes and an appreciation of the natural world
- Creating a sense of family and belonging through shared experiences and events across the Foundation

Activities

The financial year ending August 2023 saw the Foundation go from strength to strength as it continued to grow and develop. Key highlights were:

Initiatives for 2022/2023	Progress made
Develop the academic and co-curricular provision at all schools.	Reviews of curricula have taken place to ensure a consistent 3-18 academic journey for pupils. New timetable structures have been introduced at Mill Hill School and Belmont, Mill Hill Prep to facilitate better teaching and learning. A Forest School Nursery has been introduced at Grimsdell, Mill Hill Pre-Prep. A partnership agreement has been signed with Saracens to develop rugby and netball, alongside existing partnerships in football, cricket and hockey.
Integrate and develop the new schools that have joined the Foundation.	The co-ed Sixth Form at Cobham Hall welcomed its first boys to the school. Keble Prep successfully moved to co-ed status and has now welcomed its first girls. All three new schools are well integrated into the Foundation, benefiting from extensive sharing of resources and mutual support.
Develop an Estates Master Plan for Mill Hill School	The plan has been further developed after consultation with local planners.
Planning for an all-weather pitch for Belmont, Mill Hill Prep	The rejection of planning permission by the local authority was upheld on appeal, but with support for a number of aspects of the application. An amended application is now planned.
Implement an IT strategy for all schools	Significant progress has been made in both IT infrastructure and operational support, under a Foundation Head of IT. Significant investment has been made in classroom and back office resources, including enhanced IT security.
Add suitable new schools into the Foundation	After Lyonsdown School and Keble Prep were added into the Foundation through charity mergers in March 2022, St Joseph's In the Park School was added in October 2023. The Foundation continues to consider suitable high quality schools that would benefit from joining the Foundation.

The Foundation's objectives are centred on an unrelenting focus upon the welfare of the pupils in our care, with an ongoing ambition to continually raise standards across all areas of school life. One consequence of this approach is a growing pupil roll and high demand for places. Total pupil numbers across all schools were just short of 2,200 for the year, with further growth anticipated in the following year. As part of a long-term trend, the boy/girl split at the Foundation moved closer to parity, at 52%/48% versus 53%/47% in the previous year.

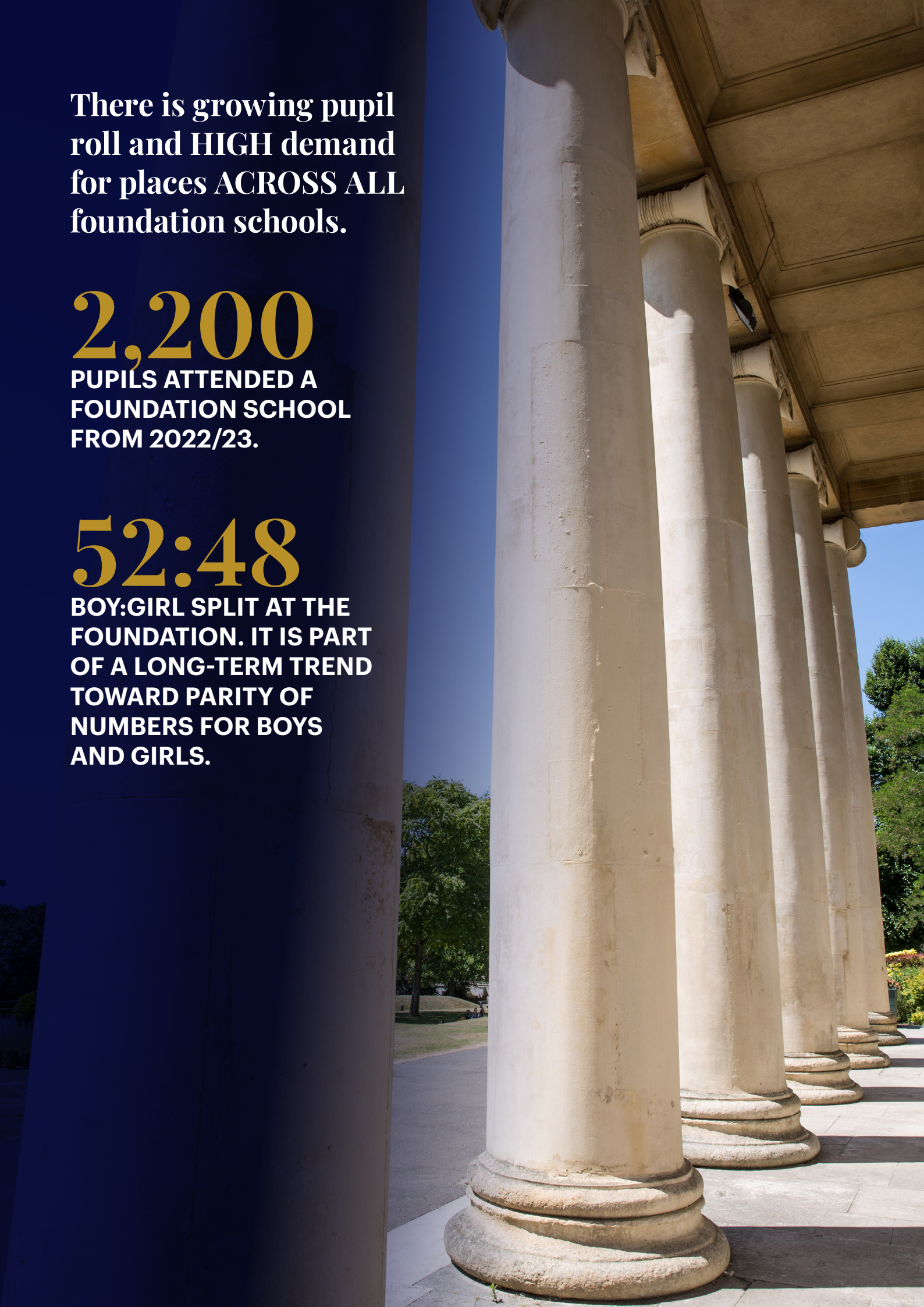
There is growing pupil roll and HIGH demand for places ACROSS ALL foundation schools.

2,200

PUPILS ATTENDED A FOUNDATION SCHOOL FROM 2022/23.

52:48

BOY:GIRL SPLIT AT THE FOUNDATION. IT IS PART OF A LONG-TERM TREND TOWARD PARITY OF NUMBERS FOR BOYS AND GIRLS.



Key highlights of our activities in 22/23 include:

1. Academic Achievements

The external exams of 2023 were a return to pre-pandemic norms, with the exams regulator signposting a return to 2019 result levels, after a high degree of national grade inflation in recent years. As such, there was a degree of apprehension about the exams outcomes in 2023, and also about how universities would cope fairly with mixed cohorts, but any apprehension was ultimately misplaced in what were very good results for the Foundation in 2023.

The results at GCSE and A Level were an excellent reflection of the hard work of staff and pupils:

GCSE/iGCSE Results 2023

	9 - 7%	9 - 4%
Mill Hill School	58	98
Cobham Hall	43	100
Mill Hill International	52	95
National Average	22	68

A Level Results 2023

	A* - A %	A* - B %	A* E %
Mill Hill School	38	67	98
Cobham Hall	24	46	100
National Average	27	53	97

The relatively small number of pupils in each year group at Cobham Hall compared to Mill Hill School means that aggregate results are more variable, and affected by the results of one or two pupils.

These are outstanding results for schools that are selective, without being aggressively so, and where the benefits of a broader education are emphasized. All of the schools GCSE results were significantly above the National Average.

The excellent A Level results, together with very good support in guiding university course choices, resulted in a very high success rate in first choice universities, despite the uncertainty around university allocations nationally. Places were obtained at a wide range of universities in the UK (including Oxbridge), USA and elsewhere in the world.

2. Widening Access

The Foundation actively promotes its public benefit profile locally and nationally. The Governors are committed to widening access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non-traditional backgrounds and to provide bursaries, up to and including 100% fee remission, to assist those children who cannot be funded by their parents, families, guardians or other charitable sources.

Bursaries are subject to annual review and are means tested. During the 12-month period to August 2023, bursary assistance totalling £ 1,328k (August 2022 - £1,211k) was awarded to 75 pupils (August 2022 – 82 pupils). Scholarship awards have historically been awarded as percentage of fees of up to 10% and may be supplemented by a means-tested bursary where further financial assistance is justified. During the year, Scholarships totalling £895k (August 2022 -£769k) were awarded to 397 pupils (August 2022 -338). 22 pupils (August 2022 – 26 pupils) were awarded a combination of scholarship and bursary assistance. During the period, the Foundation provided 100% fee remission to 40 pupils (August 2022 - 30).

In the twelve-month period to August 2023, total fee assistance from all sources, including external funding, was £2,717 k (August 2022 - £2,609k). This represented 5.3% (August 2022 – 5.9%) of Gross Fee income and included some ongoing Hardship Assistance for families that continued to be impacted negatively by the pandemic.

> “The Governors are committed to widening access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non- traditional backgrounds”

The ability of the Foundation to offer wider access through financial support is reliant upon the ongoing generosity of a number of Old Millhillians, Old Belmontians and current/ former parents.

In the last financial year until August 2023, the Development Office oversaw total donations of £350k (August 2022 - £506k), including legacies. As the pandemic has reduced in impact, it has been a pleasure to re-establish the regular networking events that provide ongoing benefits to Old Millhillians. The Development Office continues to value the relationships maintained by the Old Millhillian Club, and all pupils are now automatically members of this thriving community when they leave Mill Hill School.

Structure, Governance and Management of the Foundation

The Foundation is a company limited by guarantee, number 3404450, and a registered Charity, number 1064758. The Foundation's governing document is its Articles of Association. It comprises seven schools:

- Mill Hill School, founded in 1807 for pupils aged 13-18, day and boarding
- Belmont, Mill Hill Prep, founded in 1912, for pupils aged 7-13, day only
- Grimsdell, Mill Hill Pre-Prep, founded in 1995, for pupils aged 3-7, day only; and
- Mill Hill International, founded in 2015, for pupils aged 13-17, day and boarding
- Cobham Hall, founded 1962 for girls aged 11-18, day and boarding
- Keble Prep founded 1929 for boys aged 4-13, day only, which joined the Foundation on 1st April 2022
- Lyonsdown School founded 1906 for girls aged 4-11, day only, which joined the Foundation on 1st April 2022

The Governors of the Foundation, as Directors of the Company, are also the Charity's Trustees. Governors who served during the period 1 September 2022 to the date when the Accounts were signed are shown on page 1.

In support of its charitable objectives, the Foundation operates Mill Hill School Enterprises as a wholly owned subsidiary with its own separate Boards of Directors. Mill Hill School Enterprises was incorporated on 11 January 1983, number 1690525, and is a company limited by guarantee. Cobham Hall Enterprises had not traded during the year and was put into liquidation. The accounts of Mill Hill School Enterprise are consolidated into the financial statements of the Foundation.

In October 2023, post year end, St Jospeh's in the Park joined the Foundation as part of a charity merger. A charity merger is a nil-cost arrangement where the assets and liabilities of the two schools transferred to the Foundation, and all the existing employees transferred over under their existing terms and conditions. St Joseph's in the Park will remain a co-ed prep school, based in Hertingfordbury. There are a number of benefits to the new and existing schools from the new arrangements. Expertise can be shared and standards raised through mutual support, and the new schools benefit from some of the central services of the Foundation.

"In October 2023, post year end, St Jospeh's in the Park joined the Foundation as part of a charity merger."

Trust Funds

The following Trust Funds are separately registered charities:

- Mill Hill School Scholarship and Bursaries Trust Charity number 1042028
- Mill Hill School University Entrance Scholarship Trust Charity number 1042031
- Mill Hill School Prizes Trust Charity number 1042030

The Trust Funds provide bursaries, financial assistance and prizes to the Foundation's pupils and former pupils. The total of such payments for 12-month period to August 2023 was £75k (2022 - £41k). The Accounts of the Trust Funds are consolidated into the financial statements of the Foundation.

In addition the Foundation consoldiates two additional Trust Funds as the Foundation has effective control of these Trust Funds, both are separately registered charities:

- The Ousey Scholarship Trust Charity number 1035224
- Sir Richard Winfrey Memorial Scholarship Trust Charity number 1019611

The Ousey and Winfrey Trust funds provide bursaries to the Foundations pupils, the total of such awards for 12-month period to August 2023 was £0k (2022 - £0k).

In order to simplify the administration of the trust funds above a new Charitable Incorporated Organisation (CIO), The Mill Hill Schools Trust, was established during the year receiving full Charity Commission approval in October 2023.

Charitable Aims and Objectives

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".

The trustees are mindful of the Foundations commitment to provide public benefit and have given due consideration to the requirement of the Charities Act 2011 and guidance produced by the Charity Commission.

Governance and Management of the Foundation

Statement of Governors' Responsibilities

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

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governors (other than Governors appointed to fill casual vacancies) are elected at the Annual Meeting of Life Guardians. Life Guardians duties are set out in the Foundation's Articles of Association. Membership of the Life Guardians is open to all former pupils of Mill Hill School.

The Court of Governors meets at least four times a year and determines the general policies, strategic direction of the Foundation and evaluates the risk register. The Court is supported by sub committees, who meet regularly and report to the Court of Governors.

The day-to-day management of the Foundation is delegated to the CEO and his senior leadership team, comprising of the seven Heads of the schools, the Director of Finance and Resources and the Director of Operations.

A scheme of delegation formalises the responsibilities between Governors, Committees, and the Executives.

All Governors give their time freely and no remuneration was paid during the year. Reasonable travelling and associated expenses were paid in accordance with the Foundation's Governor Expenses Policy, these are shown in note 10 to the Accounts, related party transactions are shown in note 23. Professional indemnity and liability insurance is in place for Governors.

The Court of Governors requires considerable breadth and depth of experience to carry out its duties effectively and efficiently. The Governance Committee review the skill set of the Court of Governors and endeavour to recruit the required skills at the appropriate time. The Court of Governors seeks to have an appropriate balance of gender, age and ethnicity. Governor appointments are in accordance with the Foundation's Articles of Association.

The Foundation provides an induction process for each new Governor covering the Foundation's governance structure, the Governor's role as a trustee and other issues which affect the Foundation. The Foundation is a member if the Association of Governing Bodies of Independent schools (AGBIS) and Governors are encouraged to attend the conferences and seminars they offer or other relevant external sessions for Governor and trustee development.

S172 of the Companies Act

During the year the Directors have acted in good faith with the aim of promoting the success of the Foundation and of its members of a whole by having regard to:

- the likely consequences of any decision in the long term
- the interests of the Foundations employees
- the need to foster the Foundations business relationships with suppliers, customers and others
- the impact of the Foundations operations on the community and the environment
- the desirability of the Foundation maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Foundation

Auditors awareness statement.

So far as we are aware:

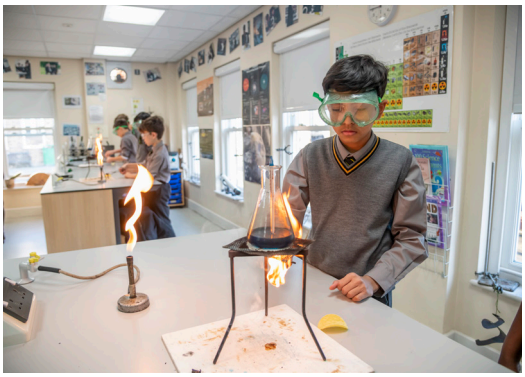
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Sub-Committees of the Court of Governors

The Court of Governors, through its sub committees, exercises governance and control of the Foundation and schools. The Court of Governors review annually the Terms of References and membership of each committee.

Standing Committee	Composition - Voting Members	Composition – Non-Voting Members	In Attendance	Number of Meetings 1 September 2022 - 31 August 2023
Academic	Governors	CEO DFR Heads*	Various academic staff as required	6
Estates	Governors	CEO DFR DO Heads*		4
Finance	Governors	CEO DFR DO Heads*		5
Pastoral	Governors	CEO DO Heads*	Director of Safeguarding when required	4
Governance	Governors	CEO DFR	Chair and Vice Chair of the Life Guardians once a year	4
Strategy	Governors	CEO DFR DO Heads*		3
Trustees	Governors	CEO DFR	Finance Manager	1

**The Heads of Mill Hill School, Belmont Mill Hill Prep, Grimsdell Mill Hill Pre-Prep, Cobham Hall, Mill Hill International, Keble Prep and Lyonsdown School.*



Supplier Relationships

We value all of our suppliers, fostering long term, mutually beneficial relationships with those critical to the school's success. Suppliers are generally paid on 30-day terms. Key procurement decisions are presented to the Governors by the Executive Team prior to final decisions being made. The Court of Governors reviews the procurement policy periodically to ensure the school continues to receive the best value for money.

Plans for the Future

Continued initiatives for 2023/2024 include:

- David Benson appointed as new Head of Mill Hill School, from 1 November 2023
- Continued development of a Campus Master Plan in accordance with the Foundation's Strategy
- Planning for a floodlit all-weather pitch for Belmont, Mill Hill Prep
- Continued refurbishment of areas of the Foundation
- Footpath relocation to support physical security issues and public access
- Improve academic outcomes

Equality Diversity & Inclusion

The Foundation complies with the Equality Act 2010 and is committed to providing equality diversity and inclusion in employment. The Foundation's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Governors have engaged with employees regarding employee interest and key decision through regular staff written communications and termly employee listening meetings.

Environmental Impact

The Foundation recognises the importance of environmental and climate risks and is committed to reducing where possible the impact of our operations and minimising our environmental impact. The Foundation continues with its maintenance and upgrade program to be as energy efficient as possible, this includes

- Replacing outdated inefficient light fittings with more efficient LED lighting
- Replacing outdated boiler plant with more efficient boilers, pipe lagging has been added along with further insulation to buildings
- replacement windows have been replaced with double glazed units
- a pump replacement programme
- continuation of the tree management programme

During the previous year Cobham Hall upgraded the old inefficient boiler system with a biomass boiler which will significantly reduce the Foundations carbon impact.

During the year ending August 2023 the Mill Hill based schools used 1,990 MWh of electricity and 6,007 MWh of Gas. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 1,501 tCO2e.

Financial Review

The financial health of the Foundation remains strong. The results for the financial year to 31 August 2023 have no exceptional items, 2022 includes an exceptional item reflecting the mergers with Keble Prep and Lyonsdown School with a fair value of £3,417k and £4,364k respectively (see note 28). The regular operational activities of the Foundation for the period to 31st August 2023 include income of £53,604k (2022 £45,755k). Net income excluding the exceptional items, trust funds and trading income was £955k (2022 £893k).

	2023	2022
	£'000	**£'000**
Income per SOFA	53,687	53,586
Income from Trust Funds & Trading Activities	-	-
Ousey & Winfrey Trust		
Incoming resources for the Foundation	53,687	53,586
Exceptional Item - Keble & Lyonsdown valuation		7,781
Incoming resources excluding exceptional items	**53,687**	**45,805**
Surplus per SOFA	955	8,674
Exceptional income from Trust Funds & Trading Activities		
	955	**8,674**
Exceptional Item - merger revaluation		7,781
Net income excluding exceptional items, trust funds & trading	**955**	**893**

Capital expenditure during the year was £5,400k (2022 - £3,272k).

Mill Hill School Enterprises (including Cobham Hall Enterprises) made a gain of £531k for 12-month period to 31 August 2023, (2022 £418k).

As outlined in notes 8 and 9, the total staff related cost of the Foundation for the 12-month period to 31 August 2023 was £35,288k (2022 – £31,341k). The total staff cost includes teaching salary costs of £26,558k (2022 - £23,592k). The increase in staff cost was as a result of, pay increment for all staff arising from the annual pay review, pay progression and the inclusion of staff costs for the 2 new schools for a full year 2022 include only from date of the mergers.

Remuneration Policy

Remuneration is covered by the Finance Committee and is delegated by the Court of Governors to determine on its behalf the pay and remuneration of the Executives (including the CEO, Heads, DFR and DO) and their Senior Management Teams. The Committee considers a number of additional factors including an individual's contribution to the activities of the Foundation as a whole, affordability and remuneration offered by charities of a similar activity, size and complexity

The aims of the Remuneration Policy are to ensure:

- compliance with the Foundation 's charitable purposes and the requirements of FRS 102
- all employees of the Foundation are treated fairly and pay decisions are free from discrimination
- the London Living Wage is paid to all Foundation employees, at least the minimum wage is paid to casual workers under the age of 21 years
- the remuneration provided by the Foundation to its employees is balanced between paying its employees fairly and competitively in order to attract and retain the best people for the Foundation and the duty to ensure value for money through the careful management of charity funds
- the Foundation manages its budget to effectively deliver its strategic development plans

> "The Foundation manages its budget to effectively deliver its strategic development plans."

Key Performance Indicators

The Foundation assesses its success in the implementation and pursuit of its Charity strategy by the following key performance indicators:

- pupil numbers in the schools
- the academic results
- the achievements of its pupils in all areas of educational development including sport, music and drama

The financial performance indicators include:

- pupil numbers
- net fees
- total income
- total expenditure
- and education and Foundation surpluses

The Foundation continues to develop KPIs and measurements of performance to help Governors understand how the Foundation and its schools as a whole are performing, the direction of travel and if the objectives outlined in the strategy are being met.

Reserves, Financial Resources and Liquidity

As stated in Note 20 of the accounts, the funds of the Foundation are split between those available for day-to-day requirements of the Foundation, namely the Unrestricted Fund £36,499k (2022 - £35,673k) , those which are restricted of £19,611k (2022 - £19,453k) and the Permanent Endowment Fund £2,906k (2022 - £2,935k). Included in this balance is a Pension Provision for the year of £80k (2022 - £80k, see Note 11).

The Reserves Policy is to maintain financial resources sufficient to meet the Foundation's normal working capital requirements, as well as current and future capital expenditure obligations. These resources include a combination of:

- the regular achievement, on an annual basis, of an acceptable level of positive internal generation of net operational cash flow, after operating expenses but to exclude a charge for depreciation:
- the availability of borrowings under one or more medium to long-term unsecured committed loan credit facilities; and
- to the extent feasible, the availability of further funds resulting from fundraising activities and initiatives which result in donations and contributions to the Foundation, in support of its educational objectives

Investment Policy

The Governors' current policy is to invest any surplus working capital funds in interest bearing deposits with a number of financial institutions, while maintaining sufficient financial resources to meet its normal operating and capital expenditure commitments. The Foundation Trusts hold equity income shares in the Charities Official Investment Fund ("COIF"). The Court of Governors consider COIF to be a most suitable investment vehicle for Foundation because of its investment philosophy and ethical investment policy, its broad range of funds providing diversification of risk, and its exclusivity to Charity, faith and local authority clients. The Ousey and Winfrey Trusts hold portfolio of shares and COIF income shares.

Risk Management

The Governors regularly assess political, financial and economic situations, the regulatory and legal framework, changes in social attitudes, and pupil and employee welfare in undertaking periodic reviews of the systems and procedures which are in place to manage risks. These are incorporated in the Foundation's "Risk Register" covering all entities within the Foundation. The management of risk is a routine part of the day-to-day operation and activities of the Foundation. The Executives regularly report to the Court of Governors both directly and through the relevant sub-committee on all matters concerning risk management, in particular risks arising from Health and Safety. As an independent fee-charging provider of education, whose pupil recruitment is both national and international, the Foundation is mindful of overall national and international economic conditions and recognises their potential impact on the Charity.

Appropriate procedures are in place to assess, and address identified risks. Health and Safety matters are co- ordinated through the Foundation Health and Safety Committee which reports to the Estates Committee. In addition, risk management controls relate to the areas of strategic planning, IT, Cyber security, budget and management accounting, formal written policies, financial authorisation and approval procedures, and safeguarding procedures for the protection of children. The Foundation's policies in the academic, pastoral and extra-curricular areas for each of the schools are subject to periodic review. The Governors recognise that systems cannot provide absolute assurance that all possible risks have been identified and managed but strive to ensure strategies, systems and plans are in place to mitigate these risks where possible to do so.

Key risks identified include –

Number	Risk	Mitigation
1	Unviable financial model due to external factors such as energy prices or Government actions	Due to the external nature of this risk, there are few actions that the foundation can undertake to reduce the likelihood of it occurring The Foundation focuses on cash management & financial forecasting and its reserves The foundation continues to monitor Government proposed policy and external factors
2	Data security and cyber security threats	The Foundation puts in place controls to support data and cyber security Security measures are in place and are continually reviewed to manage the IT networks Staff training is regularly undertaken to increase staff awareness
3	Increasingly onerous regulatory and legislative requirements	Relevant staff attend regular updates Membership of various industry bodies including HMC, IAPS, IBSA and AGBIS
4	Recruitment and retention of high caliber staff	Staff are paid competitive salaries, with training and development opportunities. The Foundation is a London Living wage employer.
5	Reputation damage to the Foundation from academic results, pastoral support, historic issue, governance, fraud	Academic and pastoral development plans in place Broad range of Governors, self-assessment of board. IT and financial

Auditors

In accordance with Section 487(2) of the Companies Act, a resolution proposing the appointment of the Auditors will be put to the Court of Governors.

Approved by the Court of Governors on 9 December 2023.

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and signed on its behalf by, Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS, Chair of the Court of Governors.

Independent Auditor's Report to the Members of The Mill Hill School Foundation

Opinion

We have audited the financial statements of The Mill Hill School Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 which comprise of the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 state of the group's and the parent charitable company's affairs as at 31 August 2023 and of the group's 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 requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 group's and parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on Which we are Required to Report by Exception

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what Extent the Audit was Considered Capable of Detecting Irregularities, Including Fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Shivani Kothari (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 15 January 2024

The Mill Hill School Foundation

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2023

	Notes	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	**Total 2023 £000s**	Total 2022 £000s
INCOME FROM:							
Charitable Activities							
School fees	3	48,592	-	(207)	-	**48,385**	41,758
Other educational income	4	3,638	-	-	-	**3,638**	2,517
Other income							
Other trading income	5	1,147	-	-	-	**1,147**	904
Investments							
Investment Income	6	84	-	83	-	**167**	120
Voluntary sources							
Grants and donations	7	-	3	347	-	**350**	506
Exceptional item	28	-	-	-	-	**-**	7,781
Total income and endowments		53,461	3	223	-	**53,687**	53,586
EXPENDITURE ON:							
Costs of raising funds	8						
Fundraising and development		45	-	-	-	**45**	41
Other trading costs		400	-	-	-	**400**	346
Interest and other costs		571	-	-	-	**571**	395
Charitable activities							
Education		51,564	-	109	-	**51,673**	44,053
Total expenditure	8	52,579	-	109 316	-	**52,688**	44,835
Net operating income/(expenditure)		882	3	114	-	**999**	8,751
Net gains on investments	14	27	-	(42)	(29)	**(44)**	(77)
Net income/(expenditure)		909	3	72	(29)	**955**	8,674
Transfer between funds	20	87	-	(87)	-	**-**	-
Net movement in funds		996	3	(15)	(29)	**955**	8,674
Fund balances brought forward		33,564	2,109	19,453	2,935	**58,061**	49,387
Fund balances carried forward	20, 21	34,560	2,112	19,438	2,906	**59,016**	58,061

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Mill Hill School Foundation

BALANCE SHEET

as at 31 August 2023

	Notes	**2023 Group £000s**	2022 Group £000s	**2023 Foundation £000s**	2022 Foundation £000s
FIXED ASSETS					
Tangible assets	13	**76,045**	73,161	**76,045**	73,161
Investments	14	**2,855**	3,120	**-**	194
		78,900	76,281	**76,045**	73,355
CURRENT ASSETS					
Stocks	15	**85**	91	**85**	91
Debtors	16	**1,058**	758	**843**	560
Cash at bank and in hand		**7,354**	8,437	**6,597**	7,742
		8,497	9,286	**7,525**	8,393
CREDITORS: Amounts falling due within one year	17	**(15,026)**	(13,866)	**(14,935)**	(13,693)
NET CURRENT ASSETS/(LIABILITIES)		**(6,529)**	(4,580)	**(7,410)**	(5,300)
TOTAL ASSETS LESS CURRENT LIABILITIES		**72,371**	71,701	**68,636**	68,055
CREDITORS: Amounts falling due after more than one year	18	**(13,275)**	(13,560)	**(13,275)**	(13,560)
Provisions for liabilities and charges	11	**(80)**	(80)	**(80)**	(80)
NET ASSETS		**59,016**	58,061	**55,281**	54,415
FUNDS					
Restricted funds	20	**19,438**	19,453	**19,199**	19,227
Unrestricted funds – general	20	**36,672**	35,673	**36,082**	35,188
Endowment fund	20	**2,906**	2,935	**-**	-
		59,016	58,061	**55,281**	54,415

The Foundation has taken the exemption under Companies Act 2006 s.408 to omit its profit and loss account from the statutory group accounts. The Net Income during the year ended 31 August 2023 was £955k (2022: £8,674k). Excluding the exceptional expenditure item in the prior year the Net Income was £955k (2022: £893k)

Approved and authorised for issue by the Court of Governors on 9 December 2023 and signed on their behalf by:

Elliot Lipton
Chair of the Court of Governors

The accompanying notes form part of these financial statements.
Company Number: 3404450

The Mill Hill School Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2023

CASH FLOW STATEMENT	Notes	**2023**	2022
		£000s	£000s
Net cash inflow from operating activities	27	**5,431**	4,650
Cash flows from investing activities:			
Bank interest received		**84**	17
Dividends received		**83**	103
Interest element of finance lease rental payments		**(531)**	(353)
Payments to acquire fixed assets		**(5,400)**	(3,272)
Net cash outflow from investing activities		**(5,764)**	(3,505)
Financing:			
Loans received		**-**	-
Loans repaid		**(749)**	(5,355)
Net cash outflow from financing activities		**(749)**	(5,355)
Increase/(decrease) in cash		**(1,082)**	(4,210)
Cash and cash equivalents at the beginning of the reporting period		**8,437**	12,647
Cash and cash equivalents at the end of the reporting period		**7,355**	8,437

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2023

1 ACCOUNTING POLICIES

The Mill Hill School Foundation is a charitable company limited by guarantee with registered number 3404450, incorporated and domiciled in England and Wales. Its registered office is Walker House, Millers Close, The Ridgeway, Mill Hill, NW7 1AQ.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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 thousand pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The Group comprise The Mill Hill School Foundation, Mill Hill School Enterprises and five separately registered charitable trusts linked to The Mill Hill School Foundation. The assets, liabilities and results of the wholly owned subsidiaries are consolidated into these financial statements. Summarised details of the subsidiary company are set out in Note 25. There are five separately registered charitable trusts linked to Mill Hill School, the assets, liabilities and results of these trusts are consolidated into these financial statements. Summarised details of the charitable trusts are as described in Note 24. All activities as per Consolidated Statement of Financial Activities (SOFA) relate to continuing operations.

Business combinations

Business combinations are accounted for using the acquisition method of accounting in accordance with the provisions set out within section 19 of FRS 102 of business combinations. Assets and liabilities received have been measured at their fair value net of any impairment losses. See note 28 for further details.

1.2 GOING CONCERN

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the current economic situation. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the governors continue to prepare the financial statements on a going concern basis.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee to the extent of £1 each from the guarantors at the present time, being the Governors of The Foundation.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Foundation.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 GRANT INCOME

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.7 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Costs of generating funds relates to finance interest, fundraising costs and costs associated with the trading subsidiaries.

Governance costs comprise the costs of running the Foundation, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

1.8 TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.9 FIXED ASSETS AND DEPRECIATION

All fixed assets are held to provide an on-going economic benefit to the Foundation through their contribution, directly or indirectly, to the provisions of goods or services by the Foundation. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date, with the exception of land and buildings.

Land was previously depreciated within Freehold Property as they are not separable from freehold property due to the historic nature of the site and lack of specific valuation to enable a split to be determined between land and freehold property elements. The Mount School freehold land, included in the Accounts at a cost of £33,500 is not depreciated. The land and buildings are not depreciated due to regular maintenance and are subject to an annual impairment review. Whilst The Foundation acknowledges that there is wear and tear to the properties as they are in constant use, the investment that is being put back into the properties is considered to be more than enough to offset any wear and tear that would decrease the value of the buildings. At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase unless they form part of a larger project.

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Land and Freehold property	- not depreciated
Furniture and equipment	- 3.3% - 33.3% p.a
Fixtures and fittings	- 3.3% - 33.3% p.a
Vehicles	- 20% p.a.

The cost of the freehold property does not include any capitalised interest on borrowing costs relating to specific projects as The Foundation chooses not to capitalise this. The Foundation has introduced a rolling policy of fixed assets verification. Necessary adjustments to the fixed asset values and depreciation charges have been carried out when any fixed asset has been disposed of, either during its expected useful life or after it has been fully depreciated. All assets of The Foundation are held for charitable use with the exception of those held by Mill Hill School Enterprises.

1.10 STOCKS

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

1.11 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The Foundation also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

The Foundation also pays contributions into a defined benefit pension scheme for teaching staff on the basis of contribution rates recommended by the Teachers Pensions Agency. As described in Note 11, this scheme is accounted for as a defined contribution scheme, using the exemption permitted in IAS 19 for multi-employer schemes.

1.12 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.13 INVESTMENTS

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

1.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.15 FINANCIAL INSTRUMENTS

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.16 ADVANCED FEE PAYMENT SCHEME

The Advanced Fee Payment Scheme commenced in the Autumn Term 2006. Under the Scheme parents enter into a contract to pay The Foundation a minimum of 4 Terms and a maximum of 42 Terms (14 years) tuition fees in advance. The discounts given with the Advanced Fee Payment Scheme are recognised on the Balance Sheet and will be written off over the life of the relevant advance payment. A portion of the Advanced Fee Payment may be returned under specific conditions (see note 18 for detail).

1.17 TAXATION

The Foundation is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 2010.

1.18 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when The Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 FUNDS

The Foundation maintains four types of fund:
- Restricted: where the purpose for which the funds may be used have been restricted by donors.
- Unrestricted: where funds are for the use of the Governors for the general purposes of The Foundation.
- Endowed: an endowment fund to generate income for the three Trust Funds; the incoming resources from endowment funds are restricted.
- Designated: funds which have been allocated for a specific purpose by the Court of Governors.

See note 20 for details of in-year movements of funds.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The trustees consider that investment in the properties is sufficient to offset any wear and tear that would decrease the value of the buildings. This policy will be reviewed each year and if there are indications that depreciation will no longer be immaterial or if there are any indications of impairments the policy will be changed. See note 13 for the carrying amount of the property, plant and equipment and note 1.9 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The Foundation makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Provisions have been made for property contracts, dilapidations, restructuring, post-employment benefits and customer redress. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Fair value of the acquired schools

The Foundation used independent valuers to value the freehold buildings of the acquired schools. The valuations are based upon key assumptions of estimated value in use. In determining the fair value the valuers make reference to market evidence.

Investment property

The Foundation uses the valuation performed by its independent valuers as the fair value of its investment properties. The valuation is based upon the key assumptions of estimated rental values and market based yields. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

3 FEE INCOME

The School's activities are carried out within the UK.	**2023**	2022
The school's fee income comprised:	**£000s**	£000s
Gross fees	**51,060**	44,367
Less: Discounts	**(426)**	(501)
Less: Scholarships and bursaries	**(2,249)**	(2,108)
	48,385	41,758

Included within scholarships and bursaries is an amount of £249k (2022: £265k) which relates to restricted bursaries.

4 OTHER EDUCATIONAL INCOME

	2023	2022
	£000s	£000s
Extras and disbursements	**1,451**	1,479
Registration fees	**310**	278
Fees in lieu of notice	**509**	413
School trips	**962**	28
Other income	**406**	319
	3,638	2,517

5 OTHER TRADING INCOME

	2023	2022
	£000s	£000s
Rent and lettings	**159**	24
Profit/(loss) on disposal of assets	**7**	6
Enterprise company	**981**	874
	1,147	904

6 INVESTMENT INCOME

	2023	2022
	£000s	£000s
Interest receivable	**84**	17
Dividend income	**83**	103
	167	120

Included within the above is an amount of £50k (2022: £103k) which relates to restricted income.

7 DONATIONS AND GRANTS

	Unrestricted	**Designated**	**Restricted**	**Endowment**	**2023**	2022
	£000s	**£000s**	**£000s**	**£000s**	**£000s**	£000s
Donations and gifts	-	3	347	-	**350**	506
Donations and grants	-	3	347	-	**350**	506
Total	**-**	**3**	**347**	**-**	**350**	506

Included within the above is an amount of £347k (2022: £364k) which relates to restricted income.

8 EXPENDITURE	Staff costs (note 9) £000s	Other £000s	Depreciation £000s	**Total 2023 £000s**
Teaching	26,558	3,570	-	**30,128**
Welfare	3,110	2,195	-	**5,305**
Premises and Estates	1,239	4,449	2,516	**8,204**
Administration	4,025	3,598	-	**7,623**
Finance	-	568	-	**568**
Trading costs	227	215	-	**442**
Governance	129	285	-	**414**
	35,288	14,880	2,516	**52,684**

Included within expenditure is an amount of £nil (2022: £nil) relating to restricted expenditure.

	Staff costs £000s	Other £000s	Depreciation £000s	Total 2022 £000s
Teaching	23,592	2,283	-	25,875
Welfare and Catering	2,859	1,858	-	4,717
Premises	1,078	3,434	2,069	6,581
Administration	3,505	2,979	-	6,484
Finance	-	395	-	395
Trading costs	182	202	-	384
Governance	125	274	-	399
	31,341	11,425	2,069	44,835

Other Governance Costs include:	**2023 £000s**	2022 £000s
Auditors' remuneration		
- Audit Fees	**50**	39
- under provision from previous year	**26**	-
- Accountancy Fees	**12**	5
- Other Auditors remuneration	**23**	6
Legal and Professional Fees	**155**	208

Administration, finance and trading costs include:	**2023 £000s**	2022 £000s
Salaries	**3,864**	3,413
Other Staff Costs	**380**	274
IT support	**715**	547
Postage and stationery	**320**	433
Telephones	**157**	147
Marketing and advertising	**1,217**	937
Miscellaneous - Administration	**163**	189
Bad debts	**69**	7
Legal and Professional Fees	**485**	280
Other Administration Costs	**444**	412
Bank charges and interest	**28**	27
Loan Interest	**531**	353
Other Finance	**37**	42
Other trading costs	**215**	202
	8,625	7,263

9 STAFF COSTS	**2023**	2022
	£000s	£000s
Wages and salaries	**26,887**	23,975
Redundancy and settlement costs	**61**	78
Social security costs	**2,871**	2,592
Other pension costs	**4,171**	3,758
Other staff costs	**1,298**	938
	35,288	31,341

The number of employees who received remuneration under redundancy and settlement costs were 3 (2022: 8)

The average monthly number of employees during the year was as follows:	**2023**	2022
	No.	No.
Teaching	**315**	310
Non-teaching	**409**	407
	724	**717**

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:	**2023**	2022
	No.	No.
£60,000 - £70,000	**66**	69
£70,001 - £80,000	**35**	36
£80,001 - £90,000	**9**	1
£90,001 - £100,000	**3**	2
£100,001 - £110,000	**2**	2
£110,001 - £120,000	**1**	-
£120,001 - £130,000	**1**	-
£130,001 - £140,000	**-**	1
£170,001 - £180,000	**-**	2
£190,001 - £200,000	**3**	-
	120	113

Key management personnel include the CEO, Foundations' Headteachers, the Director of Finance and Resources and Director of Operations. The total number of key management personnel receiving pay and benefits is 10 (2022: 12). The total pay and benefits received by key management personnel were £1,718k (2022: £1,449k).

10 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration for the year ended 31 August 2023 nor for the year period 31 August 2022. 6 Governors (2022: 7) were reimbursed travel expenses totalling £2k (2022: £1k).

11 PENSIONS

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 £3,624k (2022: £3,309k) and at the year end £nil (2022: £nil) was accrued in respect of contributions to this scheme.

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

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

In January 1993, a Money Purchase, Group Personal Pension Scheme for non-teaching staff was established. Initially, it was available to those who wished to join once a one year qualifying period had passed. In April 2002, this was reduced to a three month qualifying period. This reduction in qualifying period allowed The Foundation to be exempted from the requirement to provide a Stakeholder Pension Scheme as required by the Government. The total cost to The Foundation for the Group Personal Pension Scheme in 2023 was £534k (2022: £429k). Outstanding at the year end £88k (2022: £150k).

In addition, The Foundation has unfunded pension arrangements, which have been closed to new members since December 1978. The unfunded pension obligations of these arrangements call for making annual payments to 4 retired members of staff (2022: five retired members of staff) which are charged against revenue in the year. Payments to pensioners in the year were £9k(2022: £9k) and a reduction in the value of the liability of £nil (2022: £30k) has been recognised in the year. In the absence of a formal actuarial valuation of this scheme, a liability equivalent to the latest annuity purchase value has been recognised in the balance sheet at a value of £80k (2022: £80k).

12 NET INCOME FOR THE YEAR

	2023	2022
	£000s	£000s
Net income is stated after charging:		
Depreciation of tangible fixed assets	**2,516**	2,069
Operating lease rentals – other	**245**	205
Auditor's remuneration		
Audit services for the Foundation - current year	**50**	39
Audit services for the Foundation - prior year under provision	**26**	-
Audit services for the subsidiary	**7**	7
Non-audit services	**35**	11

13 TANGIBLE FIXED ASSETS

GROUP

	Freehold Property £000s	Fixtures, Fittings, Furniture, & Equipment £000s	Motor Vehicles £000s	**Total £000s**
Cost:				
At 1 September 2022	74,515	15,942	483	**90,940**
Additions	2,742	2,623	35	**5,400**
Disposals	-	-	-	**-**
At 31 August 2023	77,257	18,565	518	**96,340**
Depreciation:				
At 1 September 2022	7,917	9,503	359	**17,779**
Charge for year	-	2,461	55	**2,516**
Disposals	-	-	-	**-**
At 31 August 2023	7,917	11,964	414	**20,295**
Net book value:				
At 31 August 2023	69,340	6,601	104	**76,045**
At 1 September 2022	66,598	6,439	124	**73,161**

The cost of freehold property represents the historical value recorded in the books of The Foundation consisting of £15,450k, the value placed in 1872 on the land and buildings of the 1869 New Foundation, and the net cost of additions since that date. The court are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £331,145k (2022: £313,699k). An annual impairment review is undertaken. See note 1 for more detail.

The Foundation has long-held historic assets which are used in the course of its teaching. These collections include antiquities and works of art. These historic assets were appraised by Bonhams during the year to a value of £232k and are insured through an appropriate policy. As the assets are in regular use to support the main objects of the Foundation they are regarded as functional rather than heritage assets.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £14,327 (2022: £49,780) for the period.

	2023	2022
	£000s	£000s
Motor Vehicles	**-**	10
IT Equipment	**4**	8

14 INVESTMENTS

GROUP	**Market value 2023 £000s**	**Investment properties 2023 £000s**	**Total 2023 £000s**	Market value 2022 £000s	Investment properties 2022 £000s	Total 2022 £000s
Cost/valuation at 1 September	**2,926**	**194**	**3,120**	3,003	194	3,197
Additions	**-**	**-**	**-**	-	-	-
Disposals	**-**	**(221)**	**(221)**	-	-	-
Gains arising from movements in valuations	**(71)**	**27**	**(44)**	(77)	-	(77)
Cost/valuation at 31 August	**2,855**	**-**	**2,855**	2,926	194	3,120
Historic cost	**1,856**	**-**	**1,856**	1,856	194	2,050

FOUNDATION	**Investment properties Total 2023 £000s**	Investment properties Total 2022 £000s
Cost/valuation At 1 September 2022	**194**	194
Disposals	**(221)**	-
Gains/(Losses) arising from movements in valuations	**27**	-
Cost/valuation At 31 August 2023	**-**	194
Historic cost	**-**	194

15 STOCK

	2023 £000s	2022 £000s
Stock	**85**	91

16 DEBTORS

	2023 Group £000s	2022 Group £000s	**2023 Foundation £000s**	2022 Foundation £000s
Fees and extras	**1,162**	1,340	**972**	1,079
Less provision for doubtful debts	**(886)**	(979)	**(886)**	(907)
Other debtors	**94**	74	**87**	17
Prepayments and accrued income	**688**	300	**670**	300
Amount due from group undertaking	**-**	-	**-**	48
	1,058	**735**	**843**	**537**

17 CREDITORS

Amounts falling due within one year:

	2023 Group £000s	2022 Group £000s	**2023 Foundation £000s**	2022 Foundation £000s
Loans	**581**	804	**581**	804
Trade creditors	**2,050**	1,428	**1,961**	1,373
Taxation and social security costs	**115**	183	**70**	130
Fees received in advance and deposits	**11,635**	10,792	**11,635**	10,792
Other creditors	**274**	375	**265**	317
Accruals	**350**	225	**331**	217
Amounts payable under finance leases	**21**	35	**21**	35
Amount due to group undertaking	**-**	-	**71**	23
	15,026	13,842	**14,935**	13,691

Deferred income:

	2023 £000s	2022 £000s
Brought forwards	**8,856**	8,196
Released in year	**(8,257)**	(7,479)
Received in year	**8,846**	8,139
Carried forwards	**9,445**	8,856

Deferred income relates to schools fees received in advance for the following term.

18 CREDITORS DUE AFTER ONE YEAR

	2023 Foundation & Group £000s	2022 Foundation & Group £000s
Amounts falling due after more than one year:		
Bank loan	**7,888**	8,414
Amounts payable under finance leases	**5**	41
School fee deposits	**5,122**	4,506
Fees in advance	**260**	599
	13,275	13,560

	2023	2022
	£000s	£000s
Movement on loans		
In one year or less	581	805
Between one and two years	438	786
Between two and five years	3,621	4,085
After five years	3,829	2,542
	8,469	8,218

	2023	2022
	£000s	£000s
Movement on school fee deposits:		
In one year or less	2,450	2,535
Between one and two years	1,198	1,048
Between two and five years	1,579	1,786
After five years	2,322	1,672
	7,549	7,041

	2023	2022
	£000s	£000s
Movement on fees in advance:		
In one year or less	9,185	8,257
Between one and two years	193	436
Between two and five years	45	163
After five years	22	-
	9,445	8,856

	2023	2022
	£000s	£000s
Movement on finance leases:		
In one year or less	21	35
Between one and two years	5	41
Between two and five years	-	-
	26	76

The Foundation has two loan facilities with National Westminster Bank Plc of £2.5m and £6m . The loans are repayable in quarterly instalments of £69k and £102k per annum. The maturity dates of the facilities are 16 October 2028 and 28 August 2034. Interest on the amounts drawn is charged at a rate of SONIA plus 2.25% on the first loan and a fixed rate of SONIA + 2.25% on the second. The Foundation entered into an interest rate swap agreement on October 2013 at a rate of 3.48% on the first loan. The effective interest rate on this loan is 5.73%.

Interest charged in the year on amounts drawn totalled £76k and £271k. (2022: £50k and £149k) and the balances outstanding at the balance sheet date were £1.4m and £4.4m respectively.

The Foundation has two loan facilities with Allicia Bank who bought the loan book from Allied Irish Bank Plc of £4m and £3m. The £4m loan is repayable in quarterly instalments totalling £381k per annum. The maturity date of the facility is 31 December 2023. Interest on the amounts drawn is charged at a rate of 4.99% per annum. The £3m loan was taken out in the prior year and is repayable by quarterly instalments of £12.5k for the first 5 years and then increasing to £81k exclusive of interest. The maturity date of the facility is 31 October 2025. Interest on the amounts drawn is charged at a rate of SONIA plus 2.5%.

Interest charged in the year on amounts drawn totalled £18k and £173k (2022: £36k and £97k) and the balance outstanding at the balance sheet date was £3.75m.

19 FINANCIAL INSTRUMENTS

	2023 Group £000s	2022 Group £000s	**2023 Foundation £000s**	2022 Foundation £000s
Financial assets measured at fair value through profit and loss	**2,855**	3,120	**-**	194
Carrying amount of financial assets				
Debt instruments at amortised cost	**370**	435	**173**	189
Carrying amount of financial liabilities				
Measured at amortised cost	**18,718**	17,365	**18,601**	17,244

20 STATEMENT OF FUNDS

	At 1 September 2022 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2023 £000s
Unrestricted funds:						
General reserve	33,564	53,461	(52,578)	(87)	27	34,387
Designated Fund	1,996			-	-	1,996
Designated fund (donations & fundraising)	113	3	-	-	-	116
	35,673	53,464	(52,578)	(87)	27	36,499
Restricted funds:						
Other Restricted Funds	692	237	(151)	87	(42)	823
ABC Bursaries	361	193	(166)	-	-	388
Cobham Hall School	10,650	-	-	-	-	10,650
Lyonsdown School	3,000	-	-	-	-	3,000
Keble School	4,750	-		-	-	4,750
Total restricted	19,453	430	(317)	87	(42)	19,611
Endowment fund	2,935	-	-	-	(29)	2,906
Total funds	58,061	53,894	(52,895)	-	(44)	59,016

	At 1 September 2021 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2022 £000s
Unrestricted funds:						
General reserve	32,700	45,549	(44,747)	62	-	33,564
Designated fund - general	1,996			-	-	1,996
Designated fund (donations & fundraising)	100	4	-	9	-	113
	34,796	45,553	(44,747)	71	-	35,673
Restricted funds:						
Restricted Other Funds	581	227	(76)	(40)	-	692
ABC Bursaries	348	240	(227)	-	-	361
Cobham Hall School	10,650	-	-	-	-	10,650
Lyonsdown School	-	3,417	-	(417)	-	3,000
Keble School	-	4,364		386	-	4,750
Total restricted	11,579	8,248	(303)	(71)	-	19,453
Endowment fund	3,012	-	-	-	(77)	2,935
Total funds	49,387	53,801	(45,050)	-	(77)	58,061

Fund Details

The following is a summary of the origins and purposes of each of the Funds

Endowment Funds - Permanent:

The Scholarships, Prizes and University Trust Funds comprise three separate Trusts established by way of donations to provide financial assistance to The Foundation's pupils and former pupils.

Restricted Funds:

Trust Funds consist of:

Mill Hill School Scholarships & Bursaries Trust: The Trust was created by a Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, for Scholarships & Bursaries at Mill Hill School.

Mill Hill School University Entrance Scholarship Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for the leaving Scholarships from Mill Hill School for entrance to British Universities.

Mill Hill School Prizes Trust: The Trust was by created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for prize awards to pupils at Mill Hill School to recognise merit shown by the pupils in the academic, artistic or technical performance or in the development of character.

ABC Bursaries Fund: A Better Chance (ABC) Bursaries Fund supports bursary students at Belmont and Mill Hill School. Development offices coordinates various fundraising campaign amongst Old Millhillians, Old Belmontian and parent body in support of the fund.

Cobham Hall School: The Foundation acquired Cobham Hall School in 2021, an independent day and boarding school for girls. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Lyonsdown School: During the year the Foundation acquired Lyonsdown School, an independent day school. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Keble School: During the year the Foundation acquired Keble School, an independent day and boarding school for girls. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Unrestricted Funds

Designated fund (donations & fundraising) was established in 2007 from fundraising activities to support The Mill Hill School Foundation's educational and business development plan. New designated fund was established in 2017 to provide for the planned capital expenditure and unforeseen events such as fire and flood. The Foundation commissioned a detailed survey of its Estate in 2017, the survey has recommended a 10 years repairs and maintenance program costing over £7,700k. The General reserve £33,564 value at August 2023, £33,914 relates to The Foundation (2022: £33,086k) and £590k relates to Mill Hill School Enterprises (2022: £478k).

The transfer of funds represent the completion of specific projects.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	**2023 Total £000s**
Tangible fixed assets	57,645	18,400	-	**76,045**
Investments	(51)		2,906	**2,855**
Current assets	7,286	1,211	-	**8,497**
Current liabilities	(15,026)	-	-	**(15,026)**
Long term liabilities	(13,355)	-	-	**(13,355)**
Total net assets	36,499	19,611	2,906	**59,016**

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	2022 Total £000s
Tangible fixed assets	62,511	10,650	-	73,161
Investments	185	-	2,935	3,120
Current assets	483	8,803	-	9,286
Current liabilities	(13,866)	-	-	(13,866)
Long term liabilities	(13,640)	-	-	(13,640)
Total net assets	35,673	19,453	2,935	58,061

22 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2023, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 Plant & Machinery £000s	**2023 Other £000s**	2022 Plant & Machinery £000s	2022 Other £000s
Due within one year	**144**	**94**	166	82
Due between one to two years	**274**	**87**	72	46
Due between two to five years	**-**	**147**	53	68
	418	**328**	291	196

23 RELATED PARTIES

There were no related party transactions.

24 TRUST FUNDS

Mill Hill School Scholarships and Bursaries Trust
Mill Hill School University Entrance Scholarship Trust
Mill Hill School Prizes Trust
The Ousey Scholarship Trust
Sir Richard Winfrey Memorial Scholarship

The combined results for the above Trust Funds for the period ended 31 August 2023 are:

	2023 £000s	2022 £000s
Net assets at At 1 September 2022	**3,199**	3,215
Income	**103**	102
Exceptional income	**-**	-
Expenditure	**(75)**	(41)
Excess expenditure over income	**28**	61
Purchase of investments	**-**	-
Unrealised gains on investments	**22**	(77)
Net Assets at At 31 August 2023	**3,249**	3,199

The Trust Funds provide financial assistance to The Foundation pupils and to former pupils during their period at university. The total of such payments in 2023 for pupils in the school was £75k (2022: £41k).

Further information may be obtained from the Director of Finance and Resources at its registered address, which is The Mill Hill School Foundation, Walker House, Millers Close, The Ridgeway, Mill Hill, London, NW7 1AQ.

25 CONTROLLED ENTITY

Mill Hill School Enterprises is a company limited by guarantee and is controlled by The Mill Hill School Foundation which is a company registered in England and Wales, number 1690525. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2023 and the year ending 31 August 2022 are detailed as follows:

	2023	2022
	£000s	£000s
Income	**981**	874
Expenditure	**(450)**	(396)
Rent paid to The Mill Hill School Foundation	**-**	-
Excess of income over expenditure*	**530**	478
Assets	**753**	652
Liabilities	**(162)**	(173)
Net assets at year end	**591**	479

*an annual rental of £50k (2022: £50k), salary and pension £218k (2022: £181k), heat and light £3.6k (2022: £2k), repairs & maintenance £1k (2022: £4k), telephone £723 (2022: £nil) was paid to The Foundation. The year-end surplus (excess of income over expenditure) of Mill Hill School Enterprises for 2023 is £530k (2022: £478k). The year-end surplus (if any) is distributed to The Mill Hill School Foundation under the gift aid scheme.

26 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted at 31 August 2023 totalled £nil (2022: £nil). The Foundation has to make significant ongoing investments to maintain its historical buildings and grounds. An independent survey commissioned by The Foundation in 2017 recommended a total investment of £7.7 million in capital expenditure over the 10 year period.

27 NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities	**2023** **£** **£000s**	2022 £ £000s
Net movement in funds	**955**	8,674
Gains on investments	**265**	77
Depreciation	**2,516**	2,069
Investment income	**(84)**	(17)
Dividends received	**(83)**	(103)
Loan interest	**531**	353
Increase/(decrease) in pension provision	**-**	(30)
Profit/(Loss) on sale of Fixed Assets	**-**	(6)
Increase/(Decrease) in creditors	**1,648**	1,934
(Increase)/Decrease in debtors	**(323)**	161
Decrease/(Increase) in stocks	**6**	(37)
Fair value of assets transferred in	**-**	(8,425)
	5,431	4,650

Analysis of changes in net debt

	At 1 September 2022 £000s	**Cash flows £000s**	**Other non-cash changes £000s**	**At 31 August 2023 £000s**
Cash and cash equivalents				
Cash	8,444	(1,082)	**-**	**7,362**
Overdrafts	**-**	**-**	**-**	**-**
Cash Equivalents	**-**	**-**	**-**	**-**
	8,444	(1,082)	**-**	**7,362**
Borrowings				
Debt due within one year	(805)	749	(525)	**(581)**
Debt due after one year	(8,414)	-	525	**(7,889)**
	(9,219)	749	**-**	**(8,470)**
Total	**(775)**	**(333)**	**-**	**(1,108)**

28 MERGERS

PRIOR YEAR

LYONSDOWN SCHOOL

On 31 March 2022 the Foundation merged with Lyonsdown School, an incorporated charity limited by guarantee incorporated in England and Wales, company number 01125436and charity number 312591. The consideration was for £1. On that date Lyonsdown School transferred all of its trade and net assets to the Foundation. Lyonsdown School has been dormant since 1 April 2022.

	Book Value	Fair Value
	£	£
Cash and cash equivalents	681	681
Freehold buildings	1,332	3,000
Property, plant and equipment	488	488
Current assets	27	27
Current liabilities	(779)	(779)
Net assets	1,749	3,417

KEBLE PREPARATORY SCHOOL (1968) LIMITED

On 31 March 2022 the Foundation merged with Keble Preparatory School (1968) Limited "Keble School", an incorporated charity limited by guarantee incorporated in England and Wales, company number 00929816 and charity number 312979. The consideration was for £1. On that date Keble School transferred all of its trade and net assets to the Foundation. Keble School has been dormant since 1 April 2022.

	Book Value	Fair Value
	£	£
Cash and cash equivalents	849	849
Freehold buildings	2,719	4,750
Property, plant and equipment	188	188
Current assets	83	83
Current liabilities	(1,506)	(1,506)
Net assets	2,333	4,364

29 POST BALANCE SHEET EVENTS

After the year end the Foundation entered into a Charity Merger with St Josephs in the Park, which operates under the charity number 1111064. The Foundation acquired the Freehold of St Joseph's In the Park in February 2023 and under the terms of the subsequent merger deed all assets and liabilities of the School will be transferred at nil cost and the School will be run by the Foundation. One trustee of St Josephs in the Park will join the Court. Future accounts will be consolidated to include St Joseph's in the Park.

Instilling values, inspiring minds.

Mill Hill
EDUCATION GROUP

The Mill Hill Education Group is the brand name for The Mill Hill School Foundation.
Registered in England: number 3404450
Registered office: Walker House, Millers Close, The Ridgeway, Mill Hill, London NW7 1AQ
Registered charity number: 1064758.

THE MILL HILL SCHOOL FOUNDATION

England & Wales - Charity number 1064758

Accounts

Mill Hill

Instilling values, inspiring minds

Company Registration Number: 03404450

THE MILL HILL SCHOOL FOUNDATION

ANNUAL REPORT OF THE GOVERNORS

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COURT OF GOVERNORS

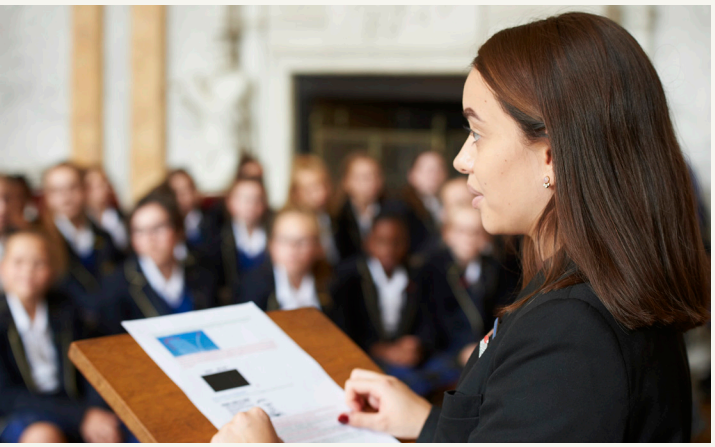
The Governors present their Annual Report and audited Consolidated Financial Statements for the year ended 31 August 2022 and confirm that they comply with the requirements of the Charities Act 2011, The Companies Act 2006 and the Charites SORP FRS 102.

Court of Governors	Election/ Leaving Date (1 September 2021 - 10 December 2022)	Committee Membership
Chair of the Court of Governors Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS		Ex-officio. S(Ch), T
Vice Chair of the Court of Governors Mrs Stephanie J Miller, BA (Hons)		A, E, F, G(Ch), P(Ch), S
Professor Eric WFW Alton, MA MB, BS, MD, FRCP, FHEA, FERS, FMedSci		A(Ch), G, S
Mrs Charlotte Avery, MA (Oxon)		A
Mrs Kamal Dhillon BSc (Hons)	Appointed on 18 June 2022	F
Mr Kevin Doble BA PDM PGCE FRSA	Stepped down on 21 February 2022	A
Mr Simon Bayliss BSc(Hons), PGCE, MSc	Stepped down on 14 October 2022	P
Mr Paul Dunleavy BA (Hons) CISSP-ISSAP CISM CDPO MBCS.		A, E, S
Mr Malcolm Gough BA, LLB, LLM, PGCE	Appointed on 1 September 2022	A
Mr Rudolph A Eliott Lockhart MA MPhil	Stepped down on 12 October 2022	A, S
Mrs Sunena Stoneham LLB (Hons), LPC	Stepped down on 14 September 2022	F, G(Ch), S
Mr Andrew Millet BA MBA FCA		F(Ch), G, S
Mrs Mary Moore MSC BA FCIPD		F,P, S
Mr Noyan Nihat		E, F, S
Dr Kiki O'Neill-Byrne BA (Hons), MB, BCh, BAO, Dip. Clin. Psych., FRCPsych		P
Mrs Mangal Patel MBA		A, E, S
Mr Mark Skelly BEng (Hons) PhD RAEngVTF		E(Ch), G, S
Mr Nigel Taylor MA	Appointed on 1 September 2022	A, P
Mr David Tyme LLB (Hons)	Appointed on 18 June 2022	F

A – Academic Committee
Ch – Chair of Committee
E – Estates Committee
F - Finance Committee
G –Governance Committee
P – Pastoral Committee
S – Strategy Committee
T - Trustees Committee

Our Aims and Objectives

The Foundation aims to develop thoughtful, motivated and responsible young people with a global outlook through the provision of a first-class education to boys and girls from 3 years to 18 years and to support its pupils in the passage from childhood to adulthood; we help them to thrive and find their own path to happiness and success through the range of curricular and co-curricular opportunities presented by each of our schools. Our principal activity is the education and pastoral care of our pupils.



Aims

To provide excellence in education:

- To bring out the best in every individual child
- To develop moral integrity and the confidence in pupils to be themselves
- To nurture pupils from childhood to adulthood
- To build a sense of community and environmental awareness

Objectives

To provide excellence in education by:

- Providing an optimum environment in which outstanding learning can take place
- Designing a forward looking curriculum which establishes strengths in the core subjects but is also broad and flexible enough to adapt to the demands of the 21st Century
- Equipping pupils with the tools and habits of mind that enable them to navigate the global environment
- Creating a culture across the Foundation that embraces the importance of staff development and wellbeing

To bring out the best in every individual child by:

- Having high expectations of all pupils and a belief that everyone can achieve and succeed
- Promoting life-long learning and well-being
- Encouraging compassion and social responsibility in pupils through giving time, talents and treasures
- Providing a breadth of experiences and opportunities to enable pupils to find their niche

To develop moral integrity and the confidence in pupils to be themselves by:

- Practising respect and tolerance in our multi faith and multi-cultural environment, through an understanding of Christian values and traditions
- Enabling pupils to find the courage to stand up for what they believe in
- Providing opportunities to develop socially responsible pupils
- Encouraging pupils to be self-aware, resilient and to celebrate their individuality
- Motivating pupils to recognise the local, national and international context of their own education

To nurture pupils from childhood towards adulthood by:

- Providing a wide range of activities that enable pupils to develop the skills and attributes of confidence, curiosity, independent thinking, creativity, leadership and team work, resilience, emotional intelligence and adaptability
- Cultivating interests, talents and disciplines that will enhance the pupils' experience of life, now and in the future
- Providing a continuity of ethos within all seven schools and effective transition of pupils

To build a sense of community and environmental awareness by:

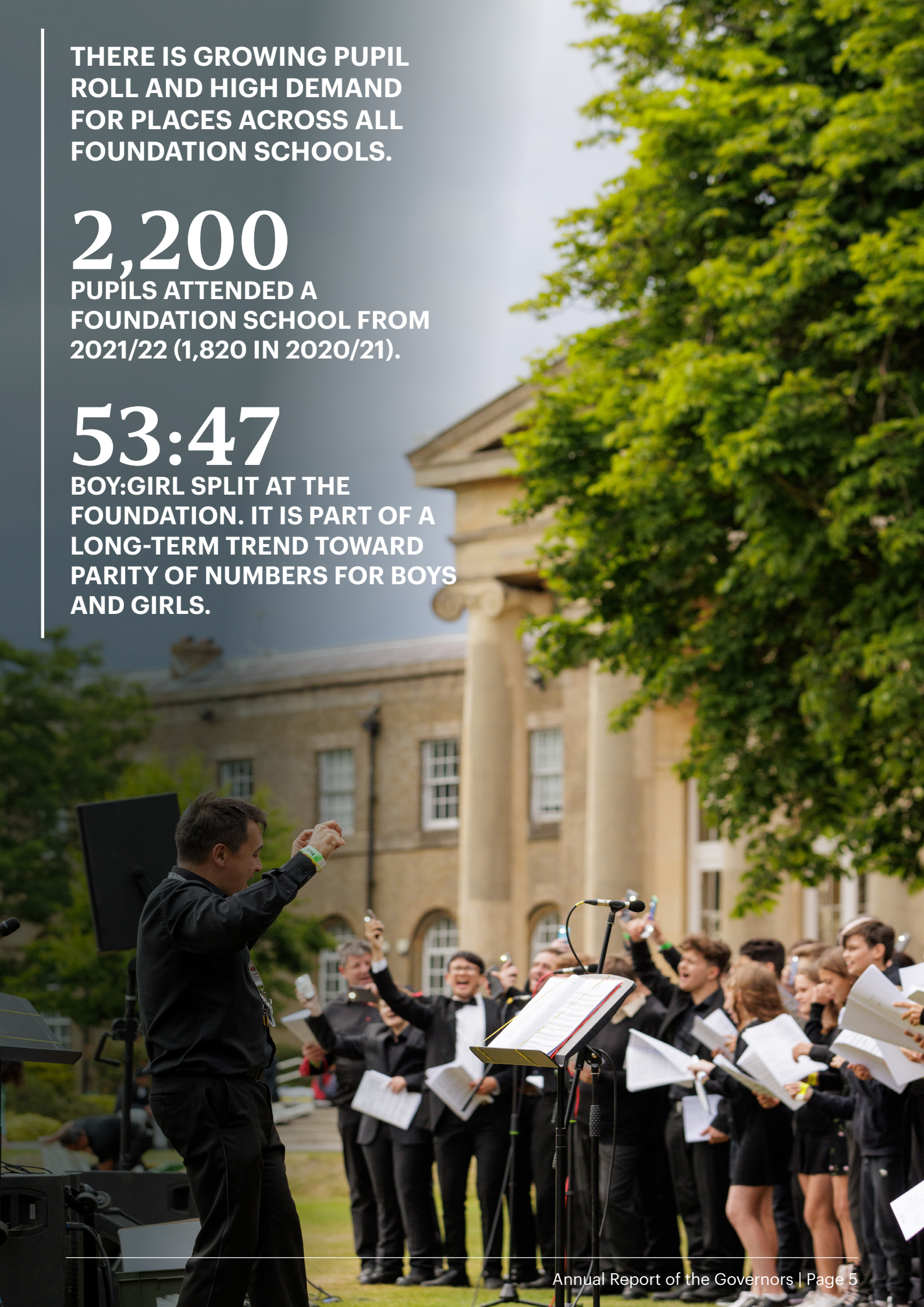
- Working in close partnership with parents, alumni and the local community
- Managing our organisation in a financially and environmentally responsible manner
- Engaging our pupils in environmentally-conscious attitudes and an appreciation of the natural world
- Creating a sense of family and belonging through experiences and events across the Foundation

ACTIVITIES

The financial year ending August 2022 offered a return to relative normality after the challenges of the pandemic period. The Foundation continues to go through an exciting period of growth and development. Progress continued to be made on our longer-term aims, including a number of new strategic initiatives. Key highlights were:

Initiatives for 2021/2022	Progress made
Improve academic outcomes at all schools	The appointment of key new staff, and good peer support between schools, has added extra impetus to academic improvements.
Successfully integrate Cobham Hall School into the Foundation	Following the successful merger in March 2021, permission was granted by the DfE for the Sixth Form to become co-educational
Create an Estates Master Plan for Mill Hill School	The Master Plan has been created, working with a firm of architects. The plans are currently going through a consultation with local planners
Complete the Pay and Benefits review for the four schools in Mill Hill	This was completed during the year, and implemented in Jan 2022.
Planning for an all-weather pitch for Belmont	Planning permission was rejected by the local officer, and the application has now moved to an appeal stage
Implement an IT strategy for all schools	The strategy has been developed by an experienced IT Director, with a team restructure to support this. A roll-out of devices and classroom technology is ongoing
Add suitable new schools into the Foundation	Lyonsdown School and Keble Prep School were added into the Foundation through a charity merger in March 2022

The Foundation's objectives are centred on an unrelenting focus upon the welfare of the pupils in our care, with an ongoing ambition to continually raise standards across all areas of school life. One consequence of this approach is a growing pupil roll and high demand for places. By the end of the 2021/2022 year, nearly 2,200 pupils attended a Foundation school, compared to an average of 1,820 in the previous year. As part of a long term trend toward parity of numbers of boys and girls, the boy/girl split at the Foundation was 53%/47%.



THERE IS GROWING PUPIL ROLL AND HIGH DEMAND FOR PLACES ACROSS ALL FOUNDATION SCHOOLS.

2,200

PUPILS ATTENDED A FOUNDATION SCHOOL FROM 2021/22 (1,820 IN 2020/21).

53:47

BOY:GIRL SPLIT AT THE FOUNDATION. IT IS PART OF A LONG-TERM TREND TOWARD PARITY OF NUMBERS FOR BOYS AND GIRLS.

Key highlights of our activities in 21/22 include:

1. Academic Achievements

After the use of Teacher/Centre Assessed Grades in the previous two years, the exams in 2022 returned to a form more akin to normality. Excellent pastoral support and measures to provide continuity of teaching during lockdown resulted in very pleasing external exam results for a cohort who had seen much disruption.

The results at GCSE and A Level were an excellent reflection of the hard work of staff and pupils:

GCSE/iGCSE Results 2022

	9 - 7%	9 - 4%
Mill Hill School	61	99
Cobham Hall School	46	94
Mill Hill International	64	98
National Average	26	73

A Level Results 2022

	A* - A %	A *- B %	A * E %
Mill Hill School	46	76	99
Cobham Hall School	17	55	97
National Average	36	62	98

The relatively small number of pupils in each year group at Cobham Hall School compared to Mill Hill School means that aggregate results are more variable, and affected by the results of one or two pupils.

These are outstanding results for schools that are selective and where the benefits of a broader education are emphasized. The Mill Hill School GCSE results were also significantly above the average for other independent schools (8% higher at 9-7).

The excellent A Level results, together with very good support in guiding university course choices, resulted in a very high success rate in first choice universities, despite the uncertainty around university allocations nationally. Places were obtained at a wide range of universities in the UK (including Oxford & Cambridge), USA and elsewhere in the world.

The focus upon academic excellence has continued with a significant investment in core academic facilities in Mill Hill School during the summer holidays of 2022, with the Maths department being fully renovated.

2. Lyonsdown School and Keble Prep School

These two local prep schools joined the Foundation through a charity merger in March 2022. A charity merger is a nil-cost arrangement where the assets and liabilities of the two schools transferred to the Foundation, and all the existing employees transferred over under their existing terms and conditions. Lyonsdown School will remain an all-girl prep school, whereas plans are in place to introduce a Nursery to Keble Prep and make it a co-educational school. There are a number of benefits to the new and existing schools from the new arrangements. Expertise can be shared and standards raised through mutual support, and the new schools benefit from some of the central services of the Foundation. Pupils at the new schools have gained access to Foundation facilities, like the theatre, sports facilities and the Forest School. Both of the new prep schools have traditionally been feeder schools to Belmont and Mill Hill School, and the new arrangement supports this where it is in the interests of the child and the preference of the parents.

3. School and Community Partnerships

The Foundation Schools publicise their partnerships and community work on the Schools Together website and can be justifiably proud of the number of exciting and meaningful initiatives being undertaken across the Foundation.

Our relationship with Copthall School continues to bring mutual benefits. A joint Wellbeing Conference has been planned and will take place in the 22/23 academic year, and the Head of Mill Hill School continues to serve as a Copthall Governor. We also enjoy a mutually supportive connection with Saracens High School.

We have continued to see high demand from community organisations for the use of our facilities. This supports our benefit for the wider community, and any commercial income continues to be invested to further improve what we can offer. We have continued to have positive partnership with sports clubs like Middlesex Cricket, Saracens RFC, Tottenham Hotspur FC and London Irish RFC. In the summer holidays of 2022, we hosted the South Africa Men's hockey team, in their preparation for the Commonwealth Games.

Excellent pastoral support and measures to provide continuity of teaching during lockdown resulted in very pleasing external exam results for a cohort who had seen much disruption.

4. Cobham Hall School

As indicated in last year's accounts, following a successful consultation and DfE approval, the Sixth Form at Cobham Hall became co-educational, whilst maintaining Year 7-11 just for girls. In September 2021, Cobham Hall School had an integrated inspection from ISI, and was found to be fully compliant with an Excellent grade given for pupil development, and a Good grade given for pupil achievement. During the year, a new Sixth Form centre was created, a biomass boiler was installed and improvements were made to the facilities for boarding and sport. A number of key new staffing appointments were also made.

5. Widening Access

The Foundation actively promotes its public benefit profile locally and nationally. The Governors are committed to widening access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non-traditional backgrounds and to provide bursaries, up to and including 100% fee remission, to assist those children who cannot be funded by their parents, families, guardians or other charitable sources.

Bursaries are subject to annual review and are means tested. During the 12-month period to August 2022, bursary assistance totalling £1,211k (August 2021 - £1,223k) was awarded to 82 pupils (August 2021 – 82 pupils). Scholarship awards provide a remission on fees of up to 10% and may be supplemented by a means-tested bursary where further financial assistance is justified. During the year, Scholarships totalling £769k (August 2021 -£500k) were awarded to 338 pupils (August 2021 -318). 26 pupils (August 2021 – 32 pupils) were awarded a combination of scholarship and bursary assistance. During the period, the Foundation provided 100% fee remission to 30 pupils (August 2021 - 31).

In the twelve-month period to August 2022, total fee assistance from all sources, including external funding, was £2,609k (August 2021 - £2,470k). This represented 5.9% (August 2021 – 6.6%) of Gross Fee income and included some ongoing Hardship Assistance for families that continued to be impacted negatively by the pandemic.

The ability of the Foundation to offer wider access through financial support is reliant upon the ongoing generosity of a number of Old Millhillians, Old Belmontians and current/ former parents.

In the last financial year until August 2022, the Development Office oversaw total donations of £458k (August 2021 - £593k), including legacies. As the pandemic has reduced in its impact, it has been a pleasure to re-establish the regular networking events that provide ongoing benefits to Old Millhillians. The Development Office continues to value the relationships maintained by the Old Millhillian Club, and all pupils are now automatically members of this thriving community when they leave Mill Hill School.

Bringing new schools into The Foundation has increased the opportunities in bringing former pupils together with links now established between Old Millhillians and the Elders of Cobham Hall.

In the last financial year until August 2022, the Development Office oversaw total donations of £458k (August 2021 - £593k), including legacies.

STRUCTURE, GOVERNANCE AND MANAGEMENT OF THE FOUNDATION

The Foundation is a company limited by guarantee, number 3404450, and a registered Charity, number 1064758. The Foundation's governing document is its Articles of Association. It comprises seven schools:

- Mill Hill School, founded in 1807 for pupils aged 13-18, day and boarding
- Belmont School, founded in 1912, for pupils aged 7-13, day only
- Grimsdell School, founded in 1995, for pupils aged 3-7, day only
- Mill Hill International, founded in 2015, for pupils aged 13-17, day and boarding
- Cobham Hall, founded 1962 for girls aged 11-16 (co-ed Sixth Form), day and boarding
- Keble Preparatory School founded 1929 for boys aged 4-13, day only, which joined the Foundation in March 2022
- Lyonsdown School founded 1906 for girls aged 4-11, day only, which joined the Foundation in March 2022

The Governors of the Foundation, as Directors of the Company, are also the Charity's Trustees. Governors who served during the period 1 September 2021 to the date when the Accounts were signed are shown on page 1. In support of its charitable objectives, the Foundation operates Mill Hill School Enterprises and Cobham Hall Enterprises as wholly owned subsidiaries with their own separate Boards of Directors. Mill Hill School Enterprises was incorporated on 11 January 1983, number 1690525, and is a company limited by guarantee, Cobham Hall Enterprises was incorporated on 14th March 1995, number 3032723 and is a private limited company. The accounts of both Enterprise companies are consolidated into the financial statements of the Foundation. From November 2021 the activities of Cobham Hall Enterprises are included in Mill Hill School enterprises.

TRUST FUNDS

The following Trust Funds are separately registered charities:

- Mill Hill School Scholarship and Bursaries Trust Charity number 1042028
- Mill Hill School University Entrance Scholarship Trust Charity number 1042031
- Mill Hill School Prizes Trust Charity number 1042030

The Trust Funds provide bursaries, financial assistance and prizes to the Foundation's pupils and former pupils. The total of such payments for 12-month period to August 2022 was £41k (2021 - £51k). The Accounts of the Trust Funds are consolidated into the financial statements of the Foundation.

In addition, this year the Foundation has consolidated two additional Trust Funds as the Foundation has effective control of these Trust Funds, both are separately registered charities:

- The Ousey Scholarship Trust Charity number 1035224
- Sir Richard Winfrey Memorial Scholarship Trust Charity number 1019611

The Ousey and Winfrey Trust funds provide bursaries to the Foundations pupils, the total of such awards for 12-month period to August 2022 was £0k (2021 - £22k).

CHARITABLE AIMS AND OBJECTIVES

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".

The trustees are mindful of the Foundations commitment to provide public benefit and have given due consideration to the requirement of the Charities Act 2011 and guidance produced by the Charity Commission.

GOVERNANCE & MANAGEMENT OF THE FOUNDATION

Statement of Governors' Responsibilities
The Governors (who are also directors for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governors (other than Governors appointed to fill casual vacancies) are elected at the Annual Meeting of Life Guardians. Life Guardians duties are set out in the Foundation's Articles of Association. Membership of the Life Guardians is open to all former pupils of Mill Hill School.

The Court of Governors meets at least four times a year and determines the general policies, strategic direction of the Foundation and evaluates the risk register. The Court is supported by sub committees, who meet regularly and report to the Court of Governors.

The day-to-day management of the Foundation is delegated to the CEO and his senior leadership team, comprising of the seven Heads of the schools, the Director of Finance and Resources and the Director of Operations.

A scheme of delegation formalises the responsibilities between Governors, Committees, and the Executives.

All Governors give their time freely and no remuneration was paid during the year. Reasonable travelling and associated expenses were paid in accordance with the Foundation's Governor Expenses Policy, these are shown in note 10 to the Accounts, related party transactions are shown in note 23. Professional indemnity and liability insurance is in place for Governors.

The Court of Governors requires considerable breadth and depth of experience to carry out its duties effectively and efficiently. The Governance Committee review the skill set of the Court of Governors and endeavour to recruit the required skills at the appropriate time. The Court of Governors seeks to have an appropriate balance of gender, age and ethnicity. Governor appointments are in accordance with the Foundation's Articles of Association.

The Foundation provides an induction process for each new Governor covering the Foundation's governance structure, the Governor's role as a trustee and other issues which affect the Foundation. The Foundation is a member if the Association of Governing Bodies of Independent schools (AGBIS) and Governors are encouraged to attend the conferences and seminars they offer or other relevant external sessions for Governor and trustee development.

S172 of The Companies Act

During the year the Directors have acted in good faith with the aim of promoting the success of the Foundation and of its members of a whole by having regard to:

- the likely consequences of any decision in the long term
- the interests of the Foundations employees
- the need to foster the Foundations business relationships with suppliers, customers and others
- the impact of the Foundations operations on the community and the environment
- the desirability of the Foundation maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Foundation

Auditors awareness statement.

So far as we are aware:

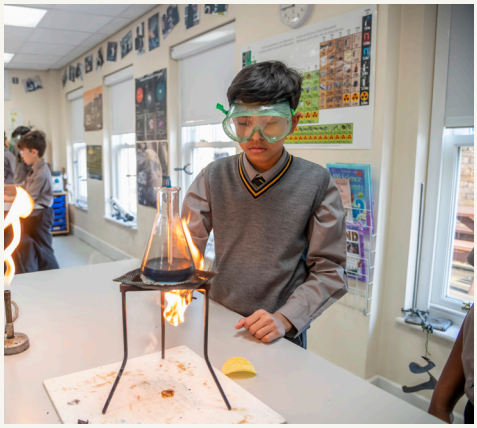
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SUB-COMMITTEES OF THE COURT OF GOVERNORS

The Court of Governors, through its sub committees, exercises governance and control of the Foundation and schools. The Court of Governors review annually the Terms of References and membership of each committee.

Standing Committee	**Composition - Voting Members**	**Composition – Non-Voting Members**	**In Attendance**	**Number of Meetings** 1 September 2020 - 31 August 2021
Academic	Governors	CEO DFR Heads*	Various academic staff as required	6
Estates	Governors	CEO DFR DO Heads*		4
Finance	Governors	CEO DFR DO Heads*	Finance Manager	4
Pastoral	Governors	CEO DO Heads*		3
Governance	Governors	CEO DFR	Chair and Vice Chair of the Life Guardians once a year	5
Strategy	Governors	CEO DFR DO Heads*		3
Trustees	Governors	CEO DFR	Finance Manager	1

**The Heads of Mill Hill School, Belmont Preparatory School, Grimsdell Pre-Preparatory School, Cobham Hall, Mill Hill International, Keble Preparatory School and Lyonsdown School.*



SUPPLIER RELATIONSHIPS

We value all of our suppliers, fostering long term, mutually beneficial relationships with those critical to the school's success. Suppliers are generally paid on 30-day terms. Key procurement decisions are presented to the Governors by the Executive Team prior to final decisions being made. The Court of Governors reviews the procurement policy periodically to ensure the school continues to receive the best value for money.

PLANS FOR THE FUTURE

Initiatives for 2022/2023 include:

- Continued development of a Campus Master Plan in accordance with the Foundation's Strategy
- Planning for a floodlit all-weather pitch for Belmont
- Continued refurbishment of areas of the Foundation
- Footpath relocation to support physical security issues and public access
- Improve academic outcomes

EQUALITY DIVERSITY & INCLUSION

The Foundation complies with the Equality Act 2010 and is committed to providing equality diversity and inclusion in employment. The Foundation's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Governors have engaged with employees regarding employee interest and key decision through regular staff written communications and termly employee listening meetings.

ENVIRONMENTAL IMPACT

The Foundation recognises the importance of environmental and climate risks and is committed to reducing where possible the impact of our operations and minimising our environmental impact. The Foundation continues with its maintenance and upgrade program to be as energy efficient as possible this includes

- Replacing outdated inefficient light fittings with more efficient LED lighting
- Replacing outdated boiler plant with more efficient boilers, pipe lagging has been added along with further insulation to buildings
- replacement windows have been replaced with double glazed units
- a pump replacement programme
- continuation of the tree management programme

During the year Cobham Hall upgraded the old inefficient boiler system with a biomass boiler which will significantly reduce the Foundations carbon impact.

During the year ending August 2022 the Mill Hill based schools used 2,079 MWh of electricity and 6,700 MWh of Gas. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 1,731 tCO2e.

FINANCIAL REVIEW

The financial health of the Foundation remains strong. The results for the financial year to 31 August 2022 include an exceptional item reflecting the mergers with Keble Preparatory School and Lyonsdown School with a fair value of £3,417k and £4,364k respectively (see note 28). The regular operational activities of the Foundation for the period to 31st August 2022 include income of £45,755k (2021 £37,625k). Net income excluding the exceptional items, trust funds and trading income was £893k (2021 £1,377k).

	2022 £'000	2021 £'000
Income per SOFA	53,536	47,889
Income from Trust Funds & Trading Activities	-	439
Ousey & Winfrey Trust	-	1,217
Incoming resources for the Foundation	53,536	46,233
Exceptional Item - Keble & Lyonsdown valuation	7,781	8,608
Incoming resources excluding exceptional items	**45,755**	**37,625**
Surplus per SOFA	8,674	11,711
Income from Trust Funds & Trading Activities	-	1,726
	8,674	**9,985**
Exceptional Item - merger revaluation	7,781	8,608
Net income excluding exceptional items, trust funds & trading	**893**	**1,377**

Capital expenditure during the year was £3,272k (2021 - £4,305k).

Mill Hill School Enterprises (including Cobham Hall Enterprises) made a gain of £479k for 12-month period to 31 August 2022, (2021 Mill Hill School Enterprise £97k, Cobham Hall Enterprises £47k).

As outlined in notes 8 and 9, the total staff related cost of the Foundation for the 12-month period to 31 August 2022 was £31,341k (2021 – £26,350k). The total staff cost includes teaching salary costs of £23,592k (2021 - £19,637k). The increase in staff cost was as a result of; pay increment for all staff arising from the annual pay review, pay progression and the inclusion of staff costs for the two new schools since the mergers.

REMUNERATION POLICY

Remuneration is covered by the Finance Committee and is delegated by the Court of Governors to determine on its behalf the pay and remuneration of the Executives (including the CEO, Heads, DFR and DO) and their Senior Management Teams. The Committee considers a number of additional factors including an individual's contribution to the activities of the Foundation as a whole, affordability and remuneration offered by charities of a similar activity, size and complexity

The aims of the Remuneration Policy are to ensure:

- compliance with the Foundation 's charitable purposes and the requirements of FRS 102
- all employees of the Foundation are treated fairly and pay decisions are free from discrimination
- the London Living Wage is paid to all Foundation employees, at least the minimum wage is paid to casual workers under the age of 21 years
- the remuneration provided by the Foundation to its employees is balanced between paying its employees fairly and competitively in order to attract and retain the best people for the Foundation and the duty to ensure value for money through the careful management of charity funds
- the Foundation manages its budget to effectively deliver its strategic development plans

KEY PERFORMANCE INDICATORS

The Foundation assesses its success in the implementation and pursuit of its Charity strategy by the following key performance indicators:

- pupil numbers in the schools
- the academic results
- the achievements of its pupils in all areas of educational development including sport, music and drama

The financial performance indicators include:

- pupil numbers
- net fees
- total income
- total expenditure
- and education and Foundation surpluses

The Foundation continues to develop KPIs and measurements of performance to help Governors understand how the Foundation and its schools as a whole are performing, the direction of travel and if the objectives outlined in the strategy are being met.

RESERVES, FINANCIAL RESOURCES AND LIQUIDITY

As stated in Note 20 of the accounts, the funds of the Foundation are split between those available for day-to-day requirements of the Foundation, namely the Unrestricted Fund £35,673k (2021 - £34,796k) , those which are restricted of £19,453k (2021 - £11,579k) and the Permanent Endowment Fund £2,935k (2021 - £3,012k). Included in this balance is a Pension Provision for the year of £80k (2021 - £110k, see Note 11).

The Reserves Policy is to maintain financial resources sufficient to meet the Foundation's normal working capital requirements, as well as current and future capital expenditure obligations. These resources include a combination of:

- the regular achievement, on an annual basis, of an acceptable level of positive internal generation of net operational cash flow, after operating expenses but to exclude a charge for depreciation:
- the availability of borrowings under one or more medium to long-term unsecured committed loan credit facilities; and
- to the extent feasible, the availability of further funds resulting from fundraising activities and initiatives which result in donations and contributions to the Foundation, in support of its educational objectives

INVESTMENT POLICY

The Governors' current policy is to invest any surplus working capital funds in interest bearing deposits with a number of financial institutions, while maintaining sufficient financial resources to meet its normal operating and capital expenditure commitments. The Foundation Trusts hold equity income shares in the Charities Official Investment Fund ("COIF"). The Court of Governors consider COIF to be a most suitable investment vehicle for Foundation because of its investment philosophy and ethical investment policy, its broad range of funds providing diversification of risk, and its exclusivity to Charity, faith and local authority clients. The Ousey and Winfrey Trusts hold portfolio of shares and COIF income shares.

RISK MANAGEMENT

The Governors regularly assess political, financial and economic situations, the regulatory and legal framework, changes in social attitudes, and pupil and employee welfare in undertaking periodic reviews of the systems and procedures which are in place to manage risks. These are incorporated in the Foundation's "Risk Register" covering all entities within the Foundation. The management of risk is a routine part of the day-to-day operation and activities of the Foundation. The Executives regularly report to the Court of Governors both directly and through the relevant sub-committee on all matters concerning risk management, in particular risks arising from Health and Safety. As an independent fee-charging provider of education, whose pupil recruitment is both national and international, the Foundation is mindful of overall national and international economic conditions and recognises their potential impact on the Charity.

Appropriate procedures are in place to assess, and address identified risks. Health and Safety matters are co- ordinated through the Foundation Health and Safety Committee which reports to the Estates Committee. In addition, risk management controls relate to the areas of strategic planning, IT, Cyber security, budget and management accounting, formal written policies, financial authorisation and approval procedures, and safeguarding procedures for the protection of children. The Foundation's policies in the academic, pastoral and extra-curricular areas for each of the schools are subject to periodic review. The Governors recognise that systems cannot provide absolute assurance that all possible risks have been identified and managed but strive to ensure strategies, systems and plans are in place to mitigate these risks where possible to do so.

Key risks identified include –

Number	Risk	Mitigation
1	Unviable financial model due to external factors such as energy prices or Government actions	Due to the external nature of this risk, there are few actions that the foundation can undertake to reduce the likelihood of it occurring The Foundation focuses on cash & financial forecasting and its reserves The foundation continues to monitor Government proposed policy and external factors
2	Data security and cyber security threats	The Foundation puts in place controls to support data and cyber security Security measures are in place and are continually reviewed to manage the IT networks Staff training is regularly undertaken to increase staff awareness
3	Increasingly onerous regulatory and legislative requirements	Relevant staff attend regular updates Membership of various industry bodies including HMC, IAPS, IBSA and AGBIS

4	Recruitment and retention of high calibre staff	Staff are paid competitive salaries, with training and development opportunities
5	Reputation damage to the Foundation from academic results, pastoral support, historic issue, governance, fraud	Academic and pastoral development plans in place Broad range of Governors, self-assessment of board. IT and financial

AUDITORS

In accordance with Section 487(2) of the Companies Act, a resolution proposing the appointment of the Auditors will be put to the Court of Governors.

Approved by the Court of Governors on

...10 December 2022.....

and signed on its behalf by, Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS, Chair of the Court of Governors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MILL HILL SCHOOL FOUNDATION

Opinion
We have audited the financial statements of The Mill Hill School Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise of the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the group's 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 requirements of the Companies Act 2006.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 group's and parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on Which we are Required to Report by Exception

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what Extent the Audit was Considered Capable of Detecting Irregularities, Including Fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

18 January 2023

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Moore Kingston Smith LLP

9 Appold Street,
London,
EC2A 2AP

The Mill Hill School Foundation

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2022

	Notes	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	**Total 2022 £000s**	Total 2021 £000s
INCOME FROM:							
Charitable Activities							
School fees	3	42,023	-	(265)	-	**41,758**	34,766
Other educational income	4	2,467	-	-	-	**2,467**	1,674
Other income							
Other trading income	5	904	-	-	-	**904**	414
Investments							
Investment Income	6	13	4	103	-	**120**	60
Voluntary sources							
Grants and donations	7	142	-	364	-	**506**	2,347
Exceptional item	28	-	-	7,781	-	**7,781**	8,628
Total income and endowments		45,549	4	7,983	-	**53,536**	47,889
EXPENDITURE ON:							
Costs of raising funds	8						
Fundraising and development		41	-	-	-	**41**	13
Other trading costs		346	-	-	-	**346**	285
Interest and other costs		395	-	-	-	**395**	409
Charitable activities							
Education		43,965	-	38	-	**44,003**	35,836
Total expenditure	8	44,747	-	38	-	**44,785**	36,543
Net operating income/(expenditure)		802	4	7,945	-	**8,751**	11,346
Net gains on investments	14	-	-	-	(77)	**(77)**	365
Net income/(expenditure)		802	4	7,945	(77)	**8,674**	11,711
Transfer between funds	20	62	9	(71)	-	**-**	-
Net movement in funds		864	13	7,874	(77)	**8,674**	11,711
Fund balances brought forward		32,700	2,096	11,579	3,012	**49,387**	37,676
Fund balances carried forward	20, 21	33,564	2,109	19,453	2,935	**58,061**	49,387

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Mill Hill School Foundation

BALANCE SHEET

as at 31 August 2022

	Notes	**2022 Group £000s**	2021 Group £000s	**2022 Foundation £000s**	2021 Foundation £000s
FIXED ASSETS					
Tangible assets	13	**73,161**	63,535	**73,161**	63,530
Investments	14	**3,120**	3,197	**194**	194
		76,281	66,732	**73,355**	63,724
CURRENT ASSETS					
Stocks	15	**91**	54	**91**	54
Debtors	16	**735**	896	**537**	855
Cash at bank and in hand		**8,437**	12,654	**7,742**	12,206
		9,263	13,604	**8,370**	13,115
CREDITORS: Amounts falling due within one year	17	**(13,843)**	(13,059)	**(13,670)**	(12,959)
NET CURRENT ASSETS/(LIABILITIES)		**(4,580)**	544	**(5,300)**	156
TOTAL ASSETS LESS CURRENT LIABILITIES		**71,701**	67,276	**68,055**	63,880
CREDITORS: Amounts falling due after more than one year	18	**(13,560)**	(17,779)	**(13,560)**	(17,779)
Provisions for liabilities and charges	11	**(80)**	(110)	**(80)**	(110)
NET ASSETS		**58,061**	49,387	**54,415**	45,991
FUNDS					
Restricted funds	20	**19,453**	11,579	**19,227**	11,412
Unrestricted funds – general	20	**35,673**	34,796	**35,188**	34,579
Endowment fund	20	**2,935**	3,012	**-**	-
		58,061	49,387	**54,415**	45,991

The Foundation has taken the exemption under Companies Act 2006 s.408 to omit its profit and loss account from the statutory group accounts. The Total Incoming Resources for The Foundation during the year ended 31 August 2022 was £52,817k (2021: £46,233k) and Net Income during the year ended 31 August 2022 was £8,374k (2021: £9,983k). Excluding the exceptional expenditure item in the year the Total Incoming Resources was £45,036k (2021: £37,625k) and Net Income was £593k (2021: £1,375k)

Approved and authorised for issue by the Board of Governors on .....10 December 2022..... and signed on their behalf by:

Elliot Lipton
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 3404450

The Mill Hill School Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2022

CASH FLOW STATEMENT	Notes	**2022**	2021
		£000s	£000s
Net cash inflow from operating activities	27	**4,650**	4,559
Cash flows from investing activities:			
Bank interest received		**17**	10
Dividends received		**103**	50
Interest element of finance lease rental payments		**(353)**	(361)
Payments to acquire fixed assets		**(3,272)**	(4,305)
Net cash outflow from investing activities		**(3,505)**	(4,606)
Financing:			
Loans received		**-**	4,500
Loans repaid		**(5,355)**	(844)
Net cash outflow from financing activities		**(5,355)**	3,656
Increase/(decrease) in cash		**(4,210)**	3,609
Cash and cash equivalents at the beginning of the reporting period		**12,647**	9,038
Cash and cash equivalents at the end of the reporting period		**8,437**	12,647

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2022

1 ACCOUNTING POLICIES

The Mill Hill School Foundation is a charitable company limited by guarantee with registered number 3404450, incorporated and domiciled in England and Wales. Its registered office is Walker House, Millers Close, The Ridgeway, Mill Hill, NW7 1AQ.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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 thousand pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The Group comprise The Mill Hill School Foundation, Mill Hill School Enterprises and five separately registered charitable trusts linked to The Mill Hill School Foundation. The assets, liabilities and results of the wholly owned subsidiaries are consolidated into these financial statements. Summarised details of the subsidiary company are set out in Note 25. There are five separately registered charitable trusts linked to Mill Hill School, the assets, liabilities and results of these trusts are consolidated into these financial statements. Summarised details of the charitable trusts are as described in Note 24. All activities as per Consolidated Statement of Financial Activities (SOFA) relate to continuing operations.

Business combinations

Business combinations are accounted for using the acquisition method of accounting in accordance with the provisions set out within section 19 of FRS 102 of business combinations. Assets and liabilities received have been measured at their fair value net of any impairment losses. See note 28 for further details.

1.2 GOING CONCERN

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the current economic situation. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the governors continue to prepare the financial statements on a going concern basis.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee to the extent of £1 each from the guarantors at the present time, being the Governors of The Foundation.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Foundation.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 GRANT INCOME

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.7 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Costs of generating funds relates to finance interest, fundraising costs and costs associated with the trading subsidiaries.

Governance costs comprise the costs of running the Foundation, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

1.8 TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.9 FIXED ASSETS AND DEPRECIATION

All fixed assets are held to provide an on-going economic benefit to the Foundation through their contribution, directly or indirectly, to the provisions of goods or services by the Foundation. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date, with the exception of land and buildings.

Land was previously depreciated within Freehold Property as they are not separable from freehold property due to the historic nature of the site and lack of specific valuation to enable a split to be determined between land and freehold property elements. The Mount School freehold land, included in the Accounts at a cost of £33,500 is not depreciated. The land and buildings are not depreciated due to regular maintenance and are subject to an annual impairment review. Whilst The Foundation acknowledges that there is wear and tear to the properties as they are in constant use, the investment that is being put back into the properties is considered to be more than enough to offset any wear and tear that would decrease the value of the buildings. At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase unless they form part of a larger project.

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Land and Freehold property	- not depreciated
Furniture and equipment	- 3.3% - 33.3% p.a
Fixtures and fittings	- 3.3% - 33.3% p.a
Vehicles	- 20% p.a.

The cost of the freehold property does not include any capitalised interest on borrowing costs relating to specific projects as The Foundation chooses not to capitalise this. The Foundation has introduced a rolling policy of fixed assets verification. Necessary adjustments to the fixed asset values and depreciation charges have been carried out when any fixed asset has been disposed of, either during its expected useful life or after it has been fully depreciated. All assets of The Foundation are held for charitable use with the exception of those held by Mill Hill School Enterprises.

1.10 STOCKS

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

1.11 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The Foundation also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

The Foundation also pays contributions into a defined benefit pension scheme for teaching staff on the basis of contribution rates recommended by the Teachers Pensions Agency. As described in Note 11, this scheme is accounted for as a defined contribution scheme, using the exemption permitted in IAS 19 for multi-employer schemes.

1.12 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.13 INVESTMENTS

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

1.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.15 FINANCIAL INSTRUMENTS

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.16 ADVANCED FEE PAYMENT SCHEME

The Advanced Fee Payment Scheme commenced in the Autumn Term 2006. Under the Scheme parents enter into a contract to pay The Foundation a minimum of 4 Terms and a maximum of 42 Terms (14 years) tuition fees in advance. The discounts given with the Advanced Fee Payment Scheme are recognised on the Balance Sheet and will be written off over the life of the relevant advance payment. A portion of the Advanced Fee Payment may be returned under specific conditions (see note 18 for detail).

1.17 TAXATION

The Foundation is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 2010.

1.18 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when The Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 FUNDS

The Foundation maintains four types of fund:

- Restricted: where the purpose for which the funds may be used have been restricted by donors.
- Unrestricted: where funds are for the use of the Governors for the general purposes of The Foundation.
- Endowed: an endowment fund to generate income for the three Trust Funds; the incoming resources from endowment funds are restricted.
- Designated: funds which have been allocated for a specific purpose by the Court of Governors.

See note 20 for details of in-year movements of funds.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The trustees consider that investment in the properties is sufficient to offset any wear and tear that would decrease the value of the buildings. This policy will be reviewed each year and if there are indications that depreciation will no longer be immaterial or if there are any indications of impairments the policy will be changed. See note 13 for the carrying amount of the property, plant and equipment and note 1.9 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The Foundation makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Provisions have been made for property contracts, dilapidations, restructuring, post-employment benefits and customer redress. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Fair value of the acquired schools

The Foundation used independent valuers to value the freehold buildings of the acquired schools. The valuations are based upon key assumptions of estimated value in use. In determining the fair value the valuers make reference to market evidence.

Investment property

The Foundation uses the valuation performed by its independent valuers as the fair value of its investment properties. The valuation is based upon the key assumptions of estimated rental values and market based yields. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

3 FEE INCOME

The School's activities are carried out within the UK.	**2022**	2021
The school's fee income comprised:	**£000s**	£000s
Gross fees	**44,367**	37,235
Less: Discounts	**(501)**	(728)
Less: Scholarships and bursaries	**(2,108)**	(1,741)
	41,758	34,766

Included within scholarships and bursaries is an amount of £265k (2021: £293k) which relates to restricted bursaries.

4 OTHER EDUCATIONAL INCOME

	2022	2021
	£000s	£000s
Extras and disbursements	**1,429**	761
Registration fees	**278**	260
Fees in lieu of notice	**413**	405
School trips	**28**	8
Other income	**319**	240
	2,467	1,674

5 OTHER TRADING INCOME

	2022	2021
	£000s	£000s
Rent and lettings	**24**	-
Profit/(loss) on disposal of assets	**6**	(19)
Enterprise company	**874**	433
	904	414

6 INVESTMENT INCOME

	2022	2021
	£000s	£000s
Interest receivable	**17**	10
Dividend income	**103**	50
	120	60

Included within the above is an amount of £103k (2021: £50k) which relates to restricted income.

7 DONATIONS AND GRANTS

	Unrestricted	**Designated**	**Restricted**	**Endowment**	**2022**	2021
	£000s	**£000s**	**£000s**	**£000s**	**£000s**	£000s
Donations and gifts	142	-	364	-	**506**	2,347
Donations and grants	142	-	364	-	**506**	593
Ousey and Winfrey Trusts	**-**	**-**	**-**	-	**-**	1,218
Legacies	-	**-**	**-**	-	**-**	194
Furlough grant	-	**-**	**-**	-	**-**	342
Total	**142**	**-**	**364**	**-**	**506**	2,347

Included within the above is an amount of £364k (2021: £720k) which relates to restricted income.

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2022

8 EXPENDITURE	Staff costs (note 9)	Other	Depreciation	**Total 2022**
	£000s	£000s	£000s	**£000s**
Teaching	23,592	2,283	-	**25,875**
Welfare	2,859	1,858	-	**4,717**
Premises and Estates	1,078	3,384	2,069	**6,531**
Administration	3,505	2,979	-	**6,484**
Finance	-	395	-	**395**
Trading costs	182	202	-	**384**
Governance	125	274	-	**399**
	31,341	11,375	2,069	**44,785**

Included within expenditure is an amount of £nil (2021: £20k) relating to restricted expenditure.

	Staff costs	Other	Depreciation	Total 2021
	£000s	£000s	£000s	£000s
Teaching	19,637	1,473	-	21,110
Welfare and Catering	2,666	1,281	-	3,947
Premises	1,026	3,391	1,296	5,713
Administration	2,750	2,043	-	4,793
Finance	-	409	-	409
Trading costs	179	119	-	298
Governance	92	181	-	273
	26,350	8,897	1,296	36,543

Other Governance Costs include:	**2022**	2021
	£000s	£000s
Auditors' remuneration		
- Audit Fees	**39**	51
- Accountancy Fees	**5**	-
- Other Auditors remuneration	**6**	-
Legal and Professional Fees	**208**	128

Administration, finance and trading costs include:	**2022**	2021
	£000s	£000s
Salaries	**3,413**	2,704
Other Staff Costs	**274**	225
IT support	**547**	490
Postage and stationery	**433**	327
Telephones	**147**	139
Marketing and advertising	**937**	729
Miscellaneous - Administration	**189**	108
Bad debts	**7**	(96)
Legal and Professional Fees	**280**	236
Other Administration Costs	**412**	79
Bank charges and interest	**27**	19
Loan Interest	**353**	361
Other Finance	**42**	48
Other trading costs	**202**	119
	7,263	5,488

9 STAFF COSTS	**2022**	2021
	£000s	£000s
Wages and salaries	**23,975**	20,123
Redundancy and settlement costs	**78**	109
Social security costs	**2,584**	2,102
Other pension costs	**3,762**	3,130
Other staff costs	**942**	886
	31,341	26,350

The number of employees who received remuneration under redundancy and settlement costs were 8 (2021: 14)

The average monthly number of employees during the year was as follows:	**2022**	2021
	No.	No.
Teaching	**310**	263
Non-teaching	**407**	350
	717	**613**

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:	**2022**	2021
	No.	No.
£60,000 - £70,000	**69**	50
£70,001 - £80,000	**36**	25
£80,001 - £90,000	**1**	4
£90,001 - £100,000	**2**	1
£100,001 - £110,000	**2**	4
£110,001 - £120,000	**-**	-
£120,001 - £130,000	**-**	-
£130,001 - £140,000	**1**	1
£160,001 - £170,000	**-**	1
£170,001 - £180,000	**2**	1
	113	87

Pension contributions for the year under money purchase amounted to £44k (2021: £65k) and pension contributions for the year under defined benefit schemes was £1,667k (2021: £1,265k) for the above employees.

Key management personnel include the CEO, Foundations' Headteachers, the Director of Finance and Resources and Director of Operations. The total number of key management personnel receiving pay and benefits is 12 (2021: 7). The total pay and benefits received by key management personnel were £1,449k (2021: £1,101k).

10 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration for the year ended 31 August 2022 nor for the year period 31 August 2021. 7 Governors (2021: 6) were reimbursed travel expenses totalling £1k (2021: £1k).

11 PENSIONS

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 £3,309k (2021: £2,736k) and at the year end £nil (2021: £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

In January 1993, a Money Purchase, Group Personal Pension Scheme for non-teaching staff was established. Initially, it was available to those who wished to join once a one year qualifying period had passed. In April 2002, this was reduced to a three month qualifying period. This reduction in qualifying period allowed The Foundation to be exempted from the requirement to provide a Stakeholder Pension Scheme as required by the Government. The total cost to The Foundation for the Group Personal Pension Scheme in 2021 was £429k (2021: £378k). Outstanding at the year end £150k (2021: £47k).

In addition, The Foundation has unfunded pension arrangements, which have been closed to new members since December 1978. The unfunded pension obligations of these arrangements call for making annual payments to 4 retired members of staff (2021: five retired members of staff) which are charged against revenue in the year. Payments to pensioners in the year were £9k(2021: £16k) and a reduction in the value of the liability of £30k (2021: £29k) has been recognised in the year. In the absence of a formal actuarial valuation of this scheme, a liability equivalent to the latest annuity purchase value has been recognised in the balance sheet at a value of £80k (2021: £110k).

12 NET INCOME FOR THE YEAR

	2022	2021
	£000s	£000s
Net income is stated after charging:		
Depreciation of tangible fixed assets	**2,069**	1,296
Operating lease rentals – other	**205**	361
Auditor's remuneration		
Audit services for the Foundation - current year	**39**	40
Audit services for the Foundation - prior year under provision	**-**	4
Audit services for the subsidiary	**7**	7
Non-audit services	**11**	10

13 TANGIBLE FIXED ASSETS

GROUP

	Freehold Property £000s	Fixtures, Fittings, Furniture, & Equipment £000s	Motor Vehicles £000s	**Total £000s**
Cost:				
At 1 September 2021	66,582	12,762	418	**79,762**
Additions	182	3,005	85	**3,272**
Disposals	-	(436)	(83)	**(519)**
Assets transferred in from acquisition	7,750	612	63	**8,425**
At 31 August 2022	74,514	15,943	483	**90,940**
Depreciation:				
At 1 September 2021	7,935	7,968	324	**16,227**
Charge for year	-	1,950	119	**2,069**
Disposals	-	(433)	(84)	**(517)**
Depreciation transferred in from acquisition	-	-	-	**-**
At 31 August 2022	7,935	9,485	359	**17,779**
Net book value:				
At 31 August 2022	66,579	6,458	124	**73,161**
At 1 September 2021	58,647	4,794	94	**63,535**

The cost of freehold property represents the historical value recorded in the books of The Foundation consisting of £15,450k, the value placed in 1872 on the land and buildings of the 1869 New Foundation, and the net cost of additions since that date. The court are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £313,699k (2021: £248,335k). An annual impairment review is undertaken. See note 1 for more detail.

The Foundation has long-held historic assets which are used in the course of its teaching. These collections include antiquities and works of art. These historic assets were appraised by Bonhams during the year to a value of £232k and are insured through an appropriate policy. As the assets are in regular use to support the main objects of the Foundation they are regarded as functional rather than heritage assets.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £49,780 (2021: £45,701) for the period.

	2022	2021
	£000s	£000s
Motor Vehicles	**10**	41
IT Equipment	**8**	23

14 INVESTMENTS

GROUP	Market value 2022 £000s	Investment properties 2022 £000s	Total 2022 £000s	Market value 2021 £000s	Investment properties 2021 £000s	Total 2021 £000s
Cost/valuation at 1 September	**3,003**	**194**	**3,197**	1,568	-	1,568
Additions	**-**	**-**	**-**	1,070	194	1,264
Gains arising from movements in valuations	**(77)**	**-**	**(77)**	365	-	365
Cost/valuation at 31 August	**2,926**	**194**	**3,120**	3,003	194	3,197
Historic cost	**1,856**	**194**	**2,050**	1,856	194	2,050

FOUNDATION	Investment properties Total 2022 £000s	Investment properties Total 2021 £000s
Cost/valuation At 1 September 2021	**194**	-
Additions	**-**	194
Cost/valuation At 31 August 2022	**194**	194
Historic cost	**194**	194

15 STOCK

	2022 £000s	2021 £000s
Stock	**91**	54

16 DEBTORS

	2022 Group £000s	2021 Group £000s	2022 Foundation £000s	2021 Foundation £000s
Fees and extras	**1,340**	1,378	**1,079**	1,273
Less provision for doubtful debts	**(979)**	(1,047)	**(907)**	(1,047)
Other debtors	**74**	29	**17**	29
Prepayments and accrued income	**300**	536	**300**	532
Amount due from group undertaking	**-**	-	**48**	68
	735	**896**	**537**	**855**

17 CREDITORS

Amounts falling due within one year:

	2022 Group £000s	2021 Group £000s	**2022 Foundation £000s**	2021 Foundation £000s
Loans	**804**	1,552	**804**	1,552
Trade creditors	**1,428**	1,446	**1,373**	1,422
Taxation and social security costs	**183**	51	**130**	19
Fees received in advance and deposits	**10,792**	9,559	**10,792**	9,559
Other creditors	**318**	201	**260**	151
Accruals	**284**	207	**276**	189
Amounts payable under finance leases	**35**	43	**35**	43
Amount due to group undertaking	**-**	-	**-**	24
	13,844	13,059	**13,670**	12,959

Deferred income:

	2022 £000s	2021 £000s
Brought forwards	**9,559**	6,598
Released in year	**(9,559)**	(6,598)
Received in year	**10,792**	9,559
Carried forwards	**10,792**	9,559

Deferred income relates to schools fees received in advance for the following term.

18 CREDITORS DUE AFTER ONE YEAR

	2022 Foundation & Group £000s	2021 Foundation & Group £000s
Amounts falling due after more than one year:		
Bank loan	**8,414**	13,021
Amounts payable under finance leases	**41**	72
School fee deposits	**4,506**	3,969
Fees in advance	**599**	717
	13,560	17,779

	2022	2021
	£000s	£000s
Movement on loans		
In one year or less	805	1,553
Between one and two years	786	1,812
Between two and five years	4,085	7,272
After five years	2,542	3,936
	8,218	14,573

	2022	2021
	£000s	£000s
Movement on school fee deposits:		
In one year or less	2,535	2,080
Between one and two years	1,048	1,090
Between two and five years	1,786	1,493
After five years	1,672	1,386
	7,041	6,049

	2022	2021
	£000s	£000s
Movement on fees in advance:		
In one year or less	8,257	7,479
Between one and two years	436	424
Between two and five years	163	293
After five years	-	-
	8,856	8,196

	2022	2021
	£000s	£000s
Movement on finance leases:		
In one year or less	35	63
Between one and two years	41	41
Between two and five years	-	-
	76	104

The Foundation has three loan facilities with National Westminster Bank Plc of £2.5m, £6m and £4.5m. The loans are repayable in quarterly instalments of £69k, £102k and £75k per annum respectively. The maturity dates of the facilities are 16 October 2028, 28 August 2034 and 6 November 2026. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.25% on the first loan, a fixed rate of LIBOR + 2.25% on the second, and base rate + 3% on the third. The Foundation entered into an interest rate swap agreement on October 2013 at a rate of 3.48% on the first loan. The effective interest rate on this loan is 5.73%. The £4.5m CBILS loan was repaid in December 2021.

Interest charged in the year on amounts drawn totalled £50k, £149k and £34k (2021: £99k, £113k and £nil) and the balances outstanding at the balance sheet date were £1.4m, £4.4m and £nil respectively.

The Foundation has two loan facilities with Alicia Bank who bought the loan book from Allied Irish Bank Plc of £4m and £3m. The £4m loan is repayable in quarterly instalments totalling £381k per annum. The maturity date of the facility is 31 December 2023. Interest on the amounts drawn is charged at a rate of 4.99% per annum. The £3m loan was taken out in the prior year and is repayable by quarterly instalments of £12.5k for the first 5 years and then increasing to £81k exclusive of interest. The maturity date of the facility is 31 October 2025. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.5%.

Interest charged in the year on amounts drawn totalled £36k and £97k (2021: £55k and £75k) and the balance outstanding at the balance sheet date was £3.75m.

19 FINANCIAL INSTRUMENTS

	2022 Group £000s	2021 Group £000s	**2022 Foundation £000s**	2021 Foundation £000s
Financial assets measured at fair value through profit and loss	**3,120**	3,197	**194**	194
Carrying amount of financial assets				
Debt instruments at amortised cost	**435**	360	**189**	255
Carrying amount of financial liabilities				
Measured at amortised cost	**17,365**	22,580	**17,244**	22,488

20 STATEMENT OF FUNDS

	At 1 September 2021 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2022 £000s
Unrestricted funds:						
General reserve	32,700	45,549	(44,747)	62	-	33,564
Designated Fund	1,996			-	-	1,996
Designated fund (donations & fundraising)	100	4	-	9	-	113
	34,796	45,553	(44,747)	71	-	35,673
Restricted funds:						
Other Restricted Funds	581	227	(76)	(40)	-	692
ABC Bursaries	348	240	(227)	-	-	361
Cobham Hall School	10,650	-	-	-	-	10,650
Lyonsdown School	-	3,417	-	(417)	-	3,000
Keble School	-	4,364		386	-	4,750
Total restricted	11,579	8,248	(303)	(71)	-	19,453
Endowment fund	3,012	-	-	-	(77)	2,935
Total funds	49,387	53,801	(45,050)	-	(77)	58,061

	At 1 September 2020 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2021 £000s
Unrestricted funds:						
General reserve	33,556	37,714	(36,504)	(2,066)	-	32,700
Designated fund - general	1,996	-	-	-	-	1,996
Designated fund (donations & fundraising)	107	12	(19)	-	-	100
	35,659	37,726	(36,523)	(2,066)	-	34,796
Restricted funds:						
Restricted Other Funds	235	674	(136)	(192)	-	581
ABC Bursaries	214	119	(177)	192		348
Cobham Hall School	-	8,584	-	2,066	-	10,650
ABC Bursaries						
Total restricted	449	9,377	(313)	2,066	-	11,579
Endowment fund	1,568	1,079	-	-	365	3,012
Total funds	37,676	48,182	(36,836)	-	365	49,387

Fund Details

The following is a summary of the origins and purposes of each of the Funds

Endowment Funds - Permanent:

The Scholarships, Prizes and University Trust Funds comprise three separate Trusts established by way of donations to provide financial assistance to The Foundation's pupils and former pupils.

Restricted Funds:

Trust Funds consist of:

Mill Hill School Scholarships & Bursaries Trust: The Trust was created by a Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, for Scholarships & Bursaries at Mill Hill School.

Mill Hill School University Entrance Scholarship Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for the leaving Scholarships from Mill Hill School for entrance to British Universities.

Mill Hill School Prizes Trust: The Trust was by created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for prize awards to pupils at Mill Hill School to recognise merit shown by the pupils in the academic, artistic or technical performance or in the development of character.

ABC Bursaries Fund: A Better Chance (ABC) Bursaries Fund supports bursary students at Belmont and Mill Hill School. Development offices coordinates various fundraising campaign amongst Old Millhillians, Old Belmontian and parent body in support of the fund.

Cobham Hall School: The Foundation acquired Cobham Hall School in 2021, an independent day and boarding school for girls. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Lyonsdown School: During the year the Foundation acquired Lyonsdown School, an independent day school. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Keble School: During the year the Foundation acquired Keble School, an independent day and boarding school for girls. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Unrestricted Funds

Designated fund (donations & fundraising) was established in 2007 from fundraising activities to support The Mill Hill School Foundation's educational and business development plan. New designated fund was established in 2017 to provide for the planned capital expenditure and unforeseen events such as fire and flood. The Foundation commissioned a detailed survey of its Estate in 2017, the survey has recommended a 10 years repairs and maintenance program costing over £7,700k. The General reserve £33,283 value at August 2022, £43,034 relates to The Foundation (2021: £43,034k) and £497k relates to Mill Hill School Enterprises (2021: £146k).

The transfer of funds represent the completion of specific projects.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	**2022 Total £000s**
Tangible fixed assets	54,761	18,400	-	**73,161**
Investments	185		2,935	**3,120**
Current assets	8,210	1,053	-	**9,263**
Current liabilities	(13,843)	-	-	**(13,843)**
Long term liabilities	(13,640)	-	-	**(13,640)**
Total net assets	35,673	19,453	2,935	**58,061**

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	2021 Total £000s
Tangible fixed assets	52,885	10,650	-	63,535
Investments	185	-	3,012	3,197
Current assets	12,675	929	-	13,604
Current liabilities	(13,059)	-	-	(13,059)
Long term liabilities	(17,889)	-	-	(17,889)
Total net assets	34,796	11,579	3,012	49,387

22 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 Plant & Machinery £000s	**2022 Other £000s**	2021 Plant & Machinery £000s	2021 Other £000s
Due within one year	**166**	**81,700**	272	89
Due between one to two years	**72**	**46,267**	158	56
Due between two to five years	**53**	**68,434**	83	58
Due after more than five years	**-**	**-**	-	6
	291	**196,401**	513	209

23 RELATED PARTIES

During the year, The Mill Hill School Foundation incurred recruitment costs of £nil (2021: £540) from RS Academics, a company at which R Burdell, a former Trustee of The Foundation, is the Head of Finance and Marketing Appointments. The Mill Hill School Foundation used the services of Quod Ltd, a company which E Lipton has business dealings with, in relation to the planning of the sports hall. During the year, total payment made was £3k (2021: £15k). There were no other related party transactions.

24 TRUST FUNDS

Mill Hill School Scholarships and Bursaries Trust
Mill Hill School University Entrance Scholarship Trust
Mill Hill School Prizes Trust
The Ousey Scholarship Trust
Sir Richard Winfrey Memorial Scholarship

The combined results for the above Trust Funds for the period ended 31 August 2022 are:

	2022 £000s	2021 £000s
Net assets at At 1 September 2021	**3,215**	1,722
Income	**102**	50
Exceptional income	**-**	1,218
Expenditure	**(41)**	(51)
Excess expenditure over income	**61**	1,217
Purchase of investments	**-**	-
Unrealised gains on investments	**(77)**	276
Net Assets at At 31 August 2022	**3,199**	3,215

The Trust Funds provide financial assistance to The Foundation pupils and to former pupils during their period at university. The total of such payments in 2022 for pupils in the school was £41k (2021: £51k).

Further information may be obtained from the Director of Finance and Resources at its registered address, which is The Mill Hill School Foundation, Walker House, Millers Close, The Ridgeway, Mill Hill, London, NW7 1AQ.

In the prior year control of a further two Trust Funds passed to the Foundation.

	Charity number
The Ousey Scholarship Trust	1035224
Sir Richard Winfrey Memorial Scholarship	1019611

The trust funds provide scholarships to the pupils at the school.

The combined results for the above Trust Funds transferred to the school are:

	2021 £000s
Investments - Endowment	1,070
Cash - Endowed	9
Cash - Restricted	215
Current Liabilities	(76)
	1,218
Donation - Endowed	1,079
Donation - Restricted	139
	1,218

25 CONTROLLED ENTITY

Mill Hill School Enterprises is a company limited by guarantee and is controlled by The Mill Hill School Foundation which is a company registered in England and Wales, number 1690525. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2022 and the year ending 31 August 2021 are detailed as follows:

	2022 £000s	2021 £000s
Income	**874**	326
Expenditure	**(396)**	(229)
Rent paid to The Mill Hill School Foundation	**-**	-
Excess of income over expenditure*	**478**	97
Assets	**652**	233
Liabilities	**(173)**	(87)
Net assets at year end	**479**	146

*an annual rental of £50k (2021: £nil), salary and pension £181k (2021: £176k), heat and light £2k (2021: £4k), repairs & maintenance £4k (2021: £nil), telephone £nil (2021: £1k) was paid to The Foundation. The year-end surplus (excess of income over expenditure) of Mill Hill School Enterprises for 2022 is £478k (2021: £97k). The year-end surplus (if any) is distributed to The Mill Hill School Foundation under the gift aid scheme.

Cobham Hall Enterprises is a company limited by share capital and is controlled by The Mill Hill Foundation which is a company registered in England and Wales, number 03032723. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2021 are detailed as follows:

	2021 £000s
Income	106
Expenditure	(59)
Excess of income over expenditure	47
Assets	126
Liabilities	(57)
Net assets at year end	69

Effective from 1 November 2021 Cobham Hall Enterprises activity is operated from Mill Hill Enterprises Limited

26 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted at 31 August 2022 totalled £nil (2021: £213k). The Foundation has to make significant ongoing investments to maintain its historical buildings and grounds. An independent survey commissioned by The Foundation in 2017 recommended a total investment of £7.7 million in capital expenditure over the 10 year period.

27 NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities	**2022 £ £000s**	2021 £ £000s
Net movement in funds	**8,674**	11,711
Gains on investments	**77**	(365)
Depreciation	**2,069**	1,238
Investment income	**(17)**	(10)
Dividends received	**(103)**	(50)
Loan interest	**353**	361
Increase/(decrease) in pension provision	**(30)**	(29)
Profit/(Loss) on sale of Fixed Assets	**(6)**	(166)
Increase/(Decrease) in creditors	**1,934**	4,002
(Increase)/Decrease in debtors	**161**	(281)
Decrease/(Increase) in stocks	**(37)**	(17)
Fair value of assets transferred in	**(8,425)**	(10,571)
Gift of investment property	**-**	(194)
Trusts transfer	**-**	(1,070)
	4,650	4,559

Analysis of changes in net debt

	At 1 September 2021 £000s	**Cash flows £000s**	**Other non-cash changes £000s**	**At 31 August 2022 £000s**
Cash and cash equivalents				
Cash	12,654	(4,210)	**-**	**8,444**
Overdrafts	**-**	**-**	**-**	**-**
Cash Equivalents	**-**	**-**	**-**	**-**
	12,654	(4,210)	**-**	**8,444**
Borrowings				
Debt due within one year	(1,552)	854	(107)	**(805)**
Debt due after one year	(13,021)	4,500	107	**(8,414)**
	(14,573)	5,354	**-**	**(9,219)**
Total	**(1,919)**	**1,144**	**-**	**(775)**

28 MERGERS

LYONSDOWN SCHOOL

On 31 March 2022 the Foundation merged with Lyonsdown School, an incorporated charity limited by guarantee incorporated in England and Wales, company number 01125436and charity number 312591. The consideration was for £1. On that date Lyonsdown School transferred all of its trade and net assets to the Foundation. Lyonsdown School has been dormant since 1 April 2022.

	Book Value £	Fair Value £
Cash and cash equivalents	681	681
Freehold buildings	1,332	3,000
Property, plant and equipment	488	488
Current assets	27	27
Current liabilities	(779)	(779)
Net assets	1,749	3,417

KEBLE PREPARATORY SCHOOL (1968) LIMITED

On 31 March 2022 the Foundation merged with Keble Preparatory School (1968) Limited "Keble School", an incorporated charity limited by guarantee incorporated in England and Wales, company number 00929816 and charity number 312979. The consideration was for £1. On that date Keble School transferred all of its trade and net assets to the Foundation. Keble School has been dormant since 1 April 2022.

	Book Value £	Fair Value £
Cash and cash equivalents	849	849
Freehold buildings	2,719	4,750
Property, plant and equipment	188	188
Current assets	83	83
Current liabilities	(1,506)	(1,506)
Net assets	2,333	4,364

COBHAM HALL SCHOOL

On 4 March 2021 the Foundation merged with Cobham Hall School, an incorporated charity limited by guarantee incorporated in England and Wales, company number 686707 and charity number 313650. The consideration was for £1. On that date Cobham Hall School transferred all of its trade and net assets to the Foundation. Cobham Hall School has been dormant since 5 March 2021.

	Book Value £	Fair Value £
Cash and cash equivalents	19	19
Freehold buildings	6,125	10,650
Property, plant and equipment	159	159
Current assets	11	11
Current liabilities	(2,232)	(2,232)
Net assets	4,082	8,607

On 4 March 2021 the Foundation also acquired the share capital of Cobham Hall Enterprises Limited, a company limited by shares incorporated in England and Wales, company number 03032723

	£
Tangible Assets	5
Cash and cash equivalents	2
Current assets	360
Current liabilities	(364)
Net assets	(3)
	-
Income	158
Expenditure	(137)
Profit for the year	21
Total	8,628

Instilling values, inspiring minds
millhill.org.uk

Mill Hill School
The Ridgeway
Mill Hill Village
London NW7 1QS

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@KeblePrepSchool
@LyonsdownSchool

THE MILL HILL SCHOOL FOUNDATION

England & Wales - Charity number 1064758

Accounts

Mill Hill

Instilling values, inspiring minds
Grimsdell | Belmont | Mill Hill School | Mill Hill International | Cobham Hall

THE MILL HILL SCHOOL FOUNDATION

GOVERNORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

COMPANY REGISTRATION NUMBER: 03404450

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COURT OF GOVERNORS

The Governors present their Annual Report and audited Consolidated Financial Statements for the year ended 31 August 2021 and confirm that they comply with the requirements of the Charities Act 2011, The Companies Act 2006 and the Charites SORP FRS 102.

Court of Governors	Election/ Leaving Date (1 September 2020 - 31 August 2021)	Committee Membership
Chair of the Court of Governors Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS		Ex-officio. S(Ch), T(Ch)
Vice Chair of the Court of Governors Mrs Stephanie J Miller, BA (Hons)		A, E, F, N&G, P(Ch), S
Professor Eric WFW Alton, MA MB, BS, MD, FRCP, FHEA, FERS, FMedSci		A(Ch), N&G, S
Mrs Charlotte Avery, MA (Oxon)		A
Mr Kevin Doble, BA PDM PGCE FRSA	Casual Vacancy	A
Mr Simon Bayliss, BSc (Hons), PGCE, MSc	Appointed on 7 October 2020	P
Mr Robin Burdell	Stepped down on 25 November 2020	F
Dr Roger Chapman, BSc MB BS FRCGP	Stepped down on 23 March 2021	C(Ch), P, N&G, T
Mr David Dickinson, DipQS FRICS	Stepped down on 23 March 2021	E(Ch), F, C
Mr Ian Downie, BSc MIWFM, CEM Dip FM	Stepped down on 26 April 2021	E
Mr Paul Dunleavy, BA (Hons) CISSP-ISSAP CISM CDPO MBCS.		A, E, S
Mr Jamie Hornshaw, BEd (Hons), MEd, NPQH FInstLM after NPQH	Stepped down on 12 December 2020	A
Mr R A Eliott Lockhart, MA MPhil		A, S
Mrs Sunena Stoneham, LLB (Hons), LPC		F, N&G(Ch), S
Mr Andrew Millet, BA MBA FCA		F(Ch), N&G, S, T, EC(Ch)
Mrs Mary Moore, MSC BA FCIPD		F, S
Mrs Sophie Mortimer, BA	Stepped down on 15 May 2021	P(Ch), C
Mr Noyan Nihat	Appointed on 12 December 2020	E, F, S
Dr Kiki O'Neill-Byrne, BA (Hons), MB, BCh, BAO, Dip. Clin. Psych., FRCPsych	Casual Vacancy	P
Mrs Mangal Patel, MBA		A, E, S
Mr Mark Skelly, BEng (Hons) PhD RAEngVTF		E(Ch), N&G, S

A – Academic Committee
C – Covid Commitee
Ch – Chair of Committee
E – Estates Committee
EC – Enterprise Council Committee
F – Finance Committee
N&G – Nominations & Governance Committee
P – Pastoral Committee
S – Strategy Committee
T – Trustees Committee

Our Aims and Objectives

The Foundation aims to develop thoughtful, motivated and responsible young people with a global outlook through the provision of a first-class education to boys and girls from 3 years to 18 years and to support its pupils in the passage from childhood to adulthood; we help them to thrive and find their own path to happiness and success through the range of curricular and co-curricular opportunities presented by each of our schools. Our principal activity is the education and pastoral care of our pupils.

Aims

To provide excellence in education:

- To bring out the best in every individual child
- To develop moral integrity and the confidence in pupils to be themselves
- To nurture pupils from childhood to adulthood
- To build a sense of community and environmental awareness

Objectives

To provide excellence in education by:

- Providing an optimum environment in which outstanding learning can take place
- Designing a forward-looking curriculum which establishes strengths in the core subjects but is also broad and flexible enough to adapt to the demands of the 21st Century
- Equipping pupils with the tools and habits of mind that enable them to navigate the global environment
- Creating a culture across the Foundation that embraces the importance of staff development and wellbeing

To bring out the best in every individual child by:

- Having high expectations of all pupils and a belief that everyone can achieve and succeed
- Promoting life-long learning and well-being
- Encouraging compassion and social responsibility in pupils through giving time, talents and treasures
- Providing a breadth of experiences and opportunities to enable pupils to find their niche

To develop moral integrity and the confidence in pupils to be themselves by:

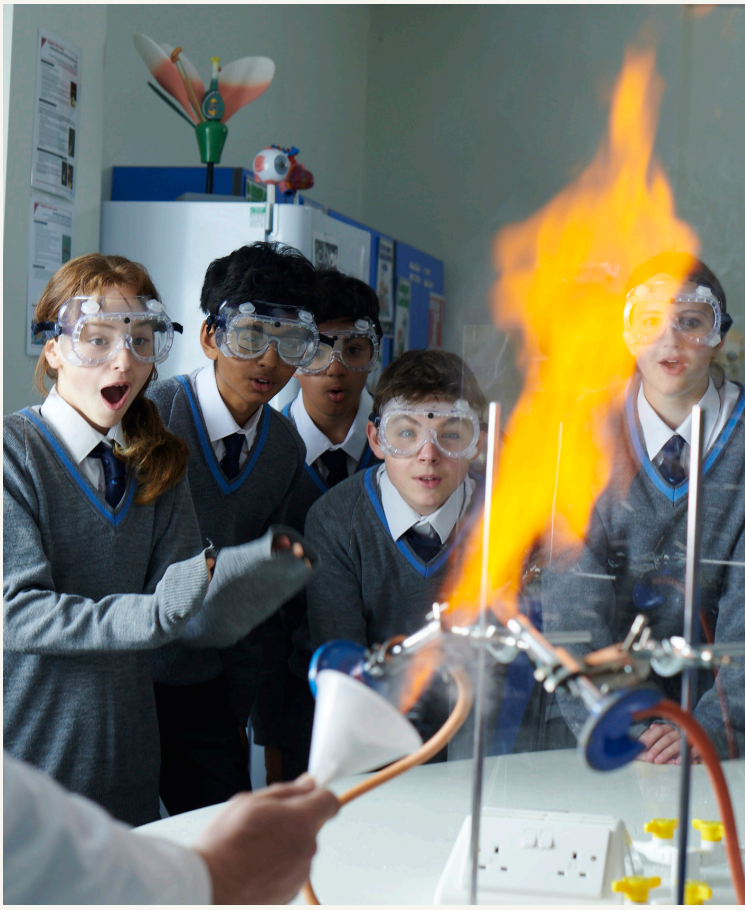
- Practising respect and tolerance in our multi faith and multi-cultural environment, through an understanding of Christian values and traditions
- Enabling pupils to find the courage to stand up for what they believe in
- Providing opportunities to develop socially responsible pupils
- Encouraging pupils to be self-aware, resilient and to celebrate their individuality
- Motivating pupils to recognise the local, national and international context of their own education

To nurture pupils from childhood towards adulthood by:

- Providing a wide range of activities that enable pupils to develop the skills and attributes of confidence, curiosity, independent thinking, creativity, leadership and teamwork, resilience, emotional intelligence and adaptability
- Cultivating interests, talents and disciplines that will enhance the pupils' experience of life, now and in the future
- Providing a continuity of ethos within all five schools and effective transition of pupils

To build a sense of community and environmental awareness by:

- Working in close partnership with parents, alumni and the local community
- Managing our organisation in a financially and environmentally responsible manner
- Engaging our pupils in environmentally conscious attitudes and an appreciation of the natural world
- Creating a sense of family and belonging through experiences and events across the Foundation

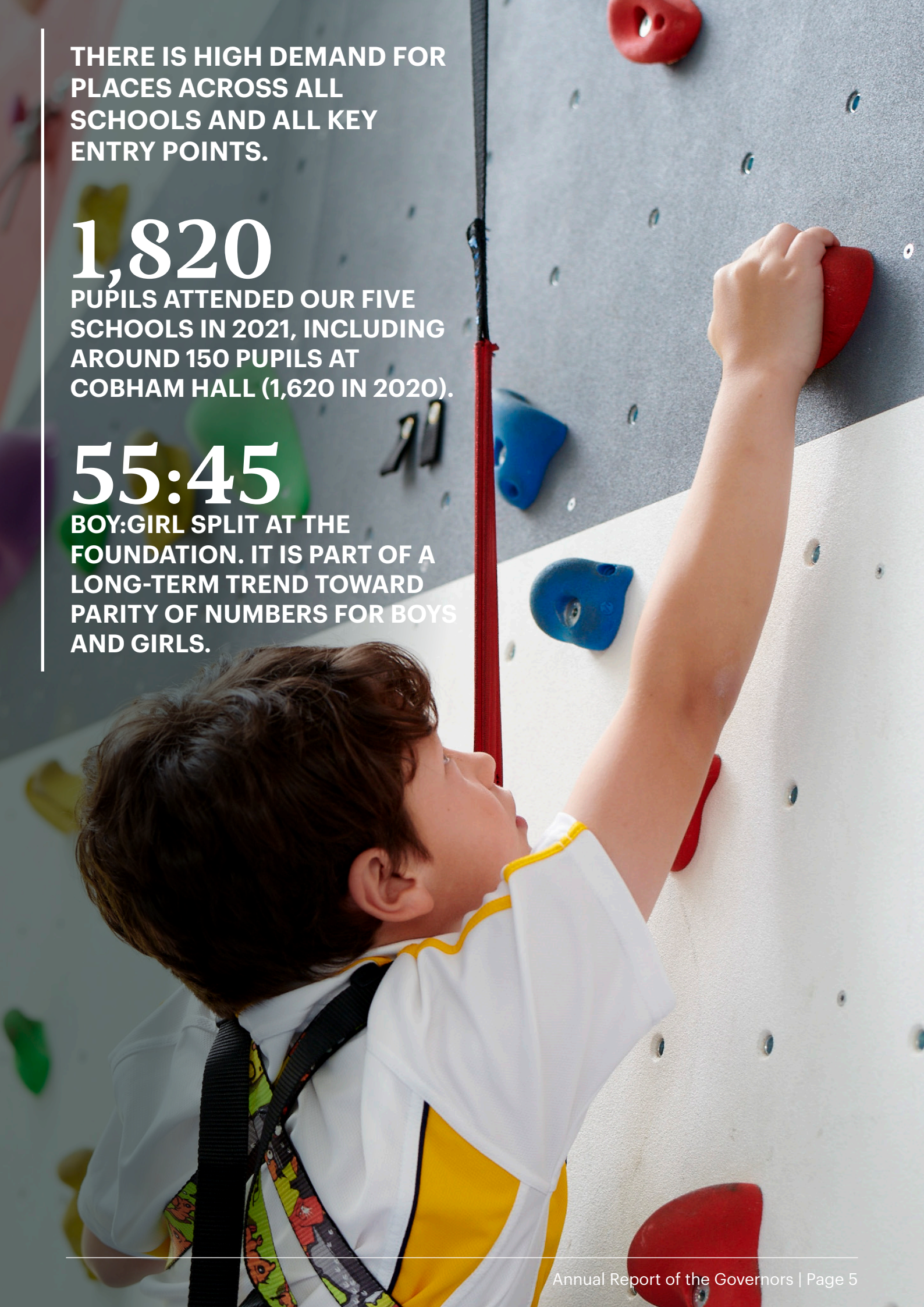


ACTIVITIES

The financial year ending August 2021 continued to be heavily affected by the presence and the consequences of the Covid-19 pandemic. The short-term focus was necessarily preoccupied with ensuring pupils and staff continued to be safe and well looked after during a very volatile time. At the same time, we continued to make progress on our longer-term aims. In last year's accounts, we set out a number of our plans for the future, repeated below and with the progress made shown:

Initiatives for 2020/2021	Progress Made
Merger with Cobham Hall, an independent girls boarding school in Kent	Merger completed on 5 March 2021
A review and update to the Campus Master Plan in accordance with its strategy	A competition was held with a shortlist of potential architects, resulting in one firm being chosen in October 2021 to oversee the Campus Master Plan project
Planning for replacement of the Science facilities at Mill Hill School	This forms part of the Campus Master Plan project
Planning for an all-weather pitch for Belmont	Working on the planning application, and the project is due for completion by September 22
Redevelopment of the Patrick Troughton Theatre and refurbishment of the Large	This was completed as part of a wider renovation project at Mill Hill School in the summer holidays of 2021
Refurbishment of the Piper and Winterstoke Libraries	The historic Winterstoke library has been repurposed a silent study area for the Upper Sixth, as part of the above project
Enhancement of the Sixth Form Centre to include an integrated pastoral, study and social space for the Sixth Form students	Completed in the summer holidays of 2021, almost doubling the space available to the Sixth Form.

The objectives of the Foundation are woven into the activities of our schools. After the pleasing outcome of the ISI Inspection of January 2020, we continue to be ambitious about continually raising standards, and this continues to be reflected in a growing pupil roll.



THERE IS HIGH DEMAND FOR PLACES ACROSS ALL SCHOOLS AND ALL KEY ENTRY POINTS.

1,820

PUPILS ATTENDED OUR FIVE SCHOOLS IN 2021, INCLUDING AROUND 150 PUPILS AT COBHAM HALL (1,620 IN 2020).

55:45

BOY:GIRL SPLIT AT THE FOUNDATION. IT IS PART OF A LONG-TERM TREND TOWARD PARITY OF NUMBERS FOR BOYS AND GIRLS.

Key highlights of our activities in 20/21 include:

1. Cobham Hall

The charity merger with Cobham Hall was completed on 5th March 2021. The merger brought additional stability to Cobham Hall, and the school is able to benefit from the wider expertise and financial resources the Foundation can access. The addition of Cobham Hall provides another option to boarders who finish at Mill Hill International at the end of Year 11 and provides additional boarding capacity to the Foundation generally; boarding has been at or near capacity in recent years. A programme of investment into Cobham Hall was begun during the year, and there is the intention, subject to consultation and DfE approval, to make the Sixth Form co-educational, whilst maintaining Year 7-11 just for girls. The fair value net assets of the Cobham Hall charity were transferred to the Foundation in the merger, resulting in a large one-off adjustment to income in the financial year. Soon after the year end, in September 2021, Cobham Hall School had an integrated inspection from ISI, and was found to be fully compliant with an excellent grade given for pupil development and a good grade given for pupil achievement.

2. School and Community Partnerships

The Foundation schools publicise their partnerships and community work on the Schools Together website and can be justifiably proud of the number of exciting and meaningful initiatives being undertaken across the Foundation.

Our relationship with Copthall School continues to bring mutual benefits. Planning is underway for the delayed joint Wellbeing Conference, and the Head of Mill Hill School continues to serve as a Copthall Governor. Whilst the pandemic made operations more challenging, we value the ongoing links with Mill Hill County School and Saracens High, respectively involving a CCF partnership and governance support. We value the wider perspective brought by international school partnerships, and we used our existing links with Tamil Nadu to support those most affected by the pandemic, in a pupil initiative to raise charitable funds.

Links with local community sports groups have continued to strengthen. These include Middlesex Cricket, Saracens RFC, Tottenham Hotspur, London Irish RFC, Hampstead & Westminster Hockey and a new partnership with a fencing academy. We were delighted to host the Tottenham Hotspurs women's super league squad for their summer training in 2021, using a number of our recently renovated facilities. The high quality of our coaching staff continues to have wider benefits, with two of our staff involved in the Tokyo Olympics.

3. Academic Achievements

In line with the rest of the country, external examinations in 2021 were replaced with Teacher Assessed Grades, where final results were based upon robust evidence of internal assessment, using the professional expertise of our teaching staff. An extremely thorough system of recording assessment data was used to evidence the performance of our pupils, and staff and pupils worked extremely hard in the face of the uncertainties and challenges of the pandemic.

The results at GCSE and A Level were an excellent reflection of the hard work of staff and pupils:

GCSE/iGCSE Results 2021

	9 - 7%	9 - 4%
Mill Hill School	73	100
Cobham Hall School	55	96
Mill Hill International	54	94
National Average	22	66

A Level Results 2021

	A* - A %	A* - B %	A* E %
Mill Hill School	66	89	100
Cobham Hall School	45	70	100
National Average	44	70	100

The relatively small number of pupils in each year group at Cobham Hall School compared to Mill Hill School means that aggregate results are more variable and affected by the results of one or two pupils.

These are outstanding results for schools that are selective and where the benefits of a broader education are emphasized. The Mill Hill School GCSE results were also significantly above the average for other independent schools (12% higher at 9 - 7).

The focus upon academic excellence has continued with a significant investment in core academic facilities in Mill Hill School during the summer holidays of 2021. A number of departments have been given renovated and enhanced classroom facilities, including English, Drama, Classics, Psychology and Computing.

Not all academic achievements can be assessed by grades, and some are more important, like shaping the lives of young people to be respectful and responsible citizens of modern society. Over the year there was intense discussion nationally about injustices in society both home and abroad, and the responsibility we all share to help young people play their part in improving this. As a diverse and tolerant community, the Foundation has worked hard through PSHE and RSE programmes, and challenging external speakers and role models, to continue to respond to these challenges.

The excellent A Level results, together with very good support in guiding university course choices, resulted in a very high success rate in first choice universities, despite the uncertainty around university allocations nationally. Places were obtained at a wide range of universities in the UK (including Oxford), USA and elsewhere in the world.

4. Co-Curricular Achievements

The opportunity for co-curricular activity was impinged by the pandemic, although whenever possible, the rich range of activities was maintained in school or online. Belmont has a huge range of activities, with up to 100 clubs per week, with new innovations like lacrosse and Forest School activities.

The other schools have an equivalent range of activities; for MHI, this ranges from Eco Club to Maths Challenge; at Cobham Hall there is a thriving Saturday programme where pupils develop the key skills identified by the World Economic Forum as being crucial for future employability; Belmont's newly developed Future Skills programme covers the 4Cs of 21st Century learning (Creativity, Critical Thinking, Collaboration, Communication); MHS ambitions for co-curricular excellence continues to push onto new levels; the appointment of numerous international coaches, performers, technicians, physios and coach educators have helped ensure that the 120+ activities delivered each week are amongst the highest quality in the independent sector. As a result, the Co-Curricular programme, coupled with its proactive and innovative social media presence, particularly during lockdown, is playing an increasingly active role in helping recruit the very best pupils and staff to the Foundation.

Whilst at Grimsdell one highlight was all the Year 2 pupils who sat LAMDA exams gained distinctions. Given these opportunities in Foundation schools, we are very proud to see former pupils go on to great success in their chosen field, with one former pupil becoming a regular player in the England cricket team.

5. Widening Access

The Foundation actively promotes its public benefit profile locally and nationally. It is important to the Governors to support widened access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non-traditional backgrounds and to provide bursaries, up to and including 100% fee remission, to assist those children who cannot be funded by their parents, families, guardians or other charitable sources.

Bursaries are subject to annual review and are means tested. During the 12-month period to August 2021, bursary assistance totalling £1,223k (August 2020 - £1,091k) was awarded to 82 pupils (August 2020 - 59 pupils). Scholarship awards provide a remission on fees of up to 10% and may be supplemented by a means-tested bursary where further financial assistance is justified. During the year, scholarships totalling £500k (August 2020 -£334k) were awarded to 318 pupils (August 2020 -213 pupils). 32 pupils (August 2020 - 15 pupils) were awarded a combination of scholarship and bursary assistance. During the period, the Foundation provided 100% fee remission to 31 pupils (August 2020 - 37).

In the twelve-month period to August 2021, total fee assistance from all sources, including external funding, was £2,470k (August 2020 - £3,553k). This represented 6.6% (August 2020 – 10.1%) of Gross Fee income and included some ongoing Hardship Assistance for families that continued to be impacted negatively by the pandemic. The 2020 figure included a more substantial adjustment to fees due to the closure of schools.

The ability of the Foundation to offer wider access through financial support is reliant upon the ongoing generosity of a number of Old Millhillians, Old Belmontians and current/ former parents.

In the last financial year until August 2021, the Development Office oversaw total financial donations of £592,974 including legacies.

During the year, the pandemic restrictions limited the scope for current and potential supporters to meet together and with the schools, but regular communication was maintained, including profiles of former pupils whose lives have been transformed through this support. The Foundation continues to value the relationships maintained by the Old Millhillians Club and going forward all pupils will automatically be members of this community.

STRUCTURE, GOVERNANCE AND MANAGEMENT OF THE FOUNDATION

The Foundation is a company limited by guarantee, number 03404450, and a registered Charity, number 1064758. The Foundation's governing document is its Articles of Association. It comprises five schools:

- Mill Hill School, founded in 1807 for pupils aged 13-18, day and boarding
- Belmont School, founded in 1912, for pupils aged 7-13, day only
- Grimsdell School, founded in 1995, for pupils aged 3-7, day only;
- Mill Hill International, founded in 2015, for pupils aged 13-17, day and boarding; and
- Cobham Hall, founded 1962 for girls aged 11-18, day and boarding, which joined the Foundation on 5th March 2021

The Governors of the Foundation, as Directors of the Company, are also the Charity's Trustees. Governors who served during the period 1 September 2020 to the date when the Accounts were signed are shown on page 1.

In support of its charitable objectives, the Foundation operates Mill Hill School Enterprises and Cobham Hall Enterprises as wholly owned subsidiaries with their own separate Boards of Directors. Mill Hill School Enterprises was incorporated on 11th January 1983, number 1690525, and is a company limited by guarantee, Cobham Hall Enterprises was incorporated on 14th March 1995, number 3032723 and is a private limited company. The accounts of both Enterprise companies are consolidated into the financial statements of the Foundation.

TRUST FUNDS

The following Trust Funds are separately registered charities:

- Mill Hill School Scholarship and Bursaries Trust Charity number 1042028
- Mill Hill School University Entrance Scholarship Trust Charity number 1042031
- Mill Hill School Prizes Trust Charity number 1042030

The Trust Funds provide bursaries, financial assistance and prizes to the Foundation's pupils and former pupils. The total of such payments for 12-month period to August 2021 was £44k (2020 - £44k). The accounts of the Trust Funds are consolidated into the financial statements of the Foundation.

In addition, this year the Foundation has consolidated two additional Trust Funds as the Foundation has effective control of these Trust Funds, both are separately registered charities:

- The Ousey Scholarship Trust Charity number 1035224
- Sir Richard Winfrey Memorial Scholarship Trust Charity number 1019611

The Ousey and Winfrey Trust funds provide bursaries to the Foundations pupils, the total of such awards for 12-month period to August 2021 was £22k (2020 - £44k).

CHARITABLE AIMS AND OBJECTIVES

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission guidance on public benefit, including the guidance "public benefit: running a charity (PB2)".
The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regards to the public benefit guidance published by the Charity Commission.

GOVERNANCE & MANAGEMENT OF THE FOUNDATION

Statement of Governors' Responsibilities
The Governors (who are also Directors for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Governors are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governors (other than Governors appointed to fill casual vacancies) are elected at the Annual Meeting of Life Guardians. Life Guardians duties are set out in the Foundation's Articles of Association. Membership of the Life Guardians is open to all former pupils of Mill Hill School.

The Court of Governors meets at least four times a year and determines the general policies, strategic direction of the Foundation and considers the risks faced. The Court is supported by sub committees, who meet regularly and report to the Court of Governors.

The day-to-day management of the Foundation is delegated to the CEO and his senior leadership team, comprising of the five Heads of the schools, the Director of Finance and Resources and the Director of Operations.

A scheme of delegation formalises the responsibilities between Governors, Sub Committees, and the Executives.

All Governors give their time freely and no remuneration was paid during the year. Reasonable travelling and associated expenses were paid in accordance with the Foundation's Governor Expenses Policy, these are shown in note 10 to the Accounts, related party transactions are shown in note 23. Professional indemnity and liability insurance is in place for Governors.

The Court of Governors requires considerable breadth and depth of experience to carry out its duties effectively and efficiently. The Nominations and Governance Committee review the skill set of the Court of Governors and endeavour to recruit the required skills at the appropriate time. The Court of Governors seeks to have an appropriate balance of gender, age and ethnicity. Governor appointments are in accordance with the Foundation's Articles of Association.

The Foundation provides an induction process for each new Governor covering the Foundation's governance structure, the Governor's role as a Trustee and other issues which affect the Foundation. The Foundation is a member if the Association of Governing Bodies of Independent schools (AGBIS) and Governors are encouraged to attend the conferences and seminars they offer or other relevant external sessions for Governor and Trustee development.

S172 of The Companies Act

During the year the Directors have acted in good faith with the aim of promoting the success of the Foundation and of its members of a whole by having regard to:

- the likely consequences of any decision in the long term
- the interests of the Foundation's employees
- the need to foster the Foundation's business relationships with suppliers, customers and others
- the impact of the Foundation's operations on the community and the environment
- the desirability of the Foundation maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Foundation

Auditors awareness statement

So far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

SUB-COMMITTEES OF THE COURT OF GOVERNORS

The Court of Governors, through its sub committees, exercises governance and control of the Foundation and schools. The Court of Governors review annually the Terms of References and membership of each committee.

Standing Committee	Composition - Voting Members	Composition – Non-Voting Members	In Attendance	Number of Meetings 1 September 2020 - 31 August 2021
Academic	Governors	CEO DFR Heads*	Various academic staff as required	5
Covid	Governors	CEO DO Heads*		1
Estates	Governors	CEO DFR DO Heads*		4
Finance	Governors	CEO DFR DO Heads*	Finance Manager Bursar Cobham Hall	5
Pastoral	Governors	CEO DO Heads*	Deputy Heads	4
Nominations and Governance	Governors	CEO DFR	Chair and Vice Chair of the Life Guardians	4
Strategy	Governors	CEO DFR DO Heads*		7
Trustees	Governors	CEO DFR	Finance Manager	1

**The Heads of Mill Hill School, Belmont Preparatory School, Grimsdell Pre-Preparatory School, Cobham Hall and Mill Hill International*

SUPPLIER RELATIONSHIPS

We value all of our suppliers, fostering long term, mutually beneficial relationships with those critical to the school's success. Suppliers are generally paid on 30-day terms. Key procurement decisions are presented to the Governors by the Executive Team prior to final decisions being made. The Court of Governors reviews the procurement policy periodically to ensure the school continues to receive the best value for money.

PLANS FOR THE FUTURE

Initiatives for 2021/2022 include:

- The development of a Campus Master Plan in accordance with the Foundation's Strategy
- Planning for a floodlit all-weather pitch for Belmont
- Continued refurbishment of areas of the Foundation
- Development of the Grimsdell playground
- Footpath relocation to support physical security issues and public access
- Improve academic outcomes

EQUALITY DIVERSITY & INCLUSION

The Foundation complies with the Equality Act 2010 and is committed to providing equality diversity and inclusion in employment. The Foundation's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Governors have engaged with employees regarding employee interest and key decision through regular staff written communications and termly employee listening meetings.

ENVIRONMENTAL IMPACT

The Foundation recognises the importance of environmental and climate risks and is committed to reducing where possible the impact of our operations and minimising our environmental impact. The Foundation continues with its maintenance and upgrade program to be as energy efficient as possible this includes

- Replacing outdated inefficient light fittings with more efficient LED lighting
- Replacing outdated boiler plant with more efficient boilers, pipe lagging has been added along with further insulation to buildings
- replacement windows have been replaced with double glazed units
- a pump replacement programme
- continuation of the tree management programme

Cobham Hall are in the planning stages of upgrading the old inefficient boiler system with a biomass boiler which will significantly reduce the Foundations carbon impact.

During the year ending August 2021 the foundation used **2,443 MWh of electricity and 7,098 MWh of Gas**. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 1,915 tCO2e.

FINANCIAL REVIEW

The financial health of the Foundation remains strong. The results for the financial year to 31 August 2021 include an exceptional item reflecting the merger with Cobham Hall with a fair value of £8,608k (see note 28), merger of The Ousey Scholarship Trust with a fair value of £392k and merger of Sir Richard Winfrey Memorial Scholarship Trust with a fair value of £825k.The regular operational activities of the Foundation for the period to 31st August 2021 include income of £37,625k (2020 £34,595k). Net income excluding the exceptional items, trust funds and trading income was £1,377k (2020 £1,227k).

	2021 £'000	2020 £'000
Income per SOFA	47,889	34,785
Income from Trust Funds & Trading Activities	(439)	(190)
Ousey & Winfrey Trust	(1,217)	-
Incoming resources for the Foundation	46,233	34,595
Exceptional Item - Cobham Hall valuation	(8,608)	-
Incoming resources excluding exceptional items	**37,625**	**34,595**
Surplus per SOFA	11,711	1,219
Income from Trust Funds & Trading Activities	(1,729)	8
	9,985	**1,227**
Exceptional Item - Cobham Hall valuation	(8,607)	-
Net income excluding exceptional items, trust funds & trading	**1,375**	**1,227**

Capital expenditure during the year was £4,305k (2020 - £3,156k).

Mill Hill School Enterprises made a gain of £97k for 12-month period to 31 August 2021, (2020 – loss £46k). Cobham Hall Enterprises made £47k gain. Enterprise operations during the year continued to be impacted by Covid 19

As outlined in notes 8 and 9, the total staff related cost of the Foundation for the 12-month period to 31 August 2021 was £26,350k (2020 – £23,637k). The total staff cost includes teaching salary costs of £19,637k (2020 - £17,590k). The increase in staff cost was as a result of, pay increment for all staff arising from the annual pay review, pay progression and the appointment of additional staff during the period. A review of pay and benefits of all staff at the Foundation is ongoing.

REMUNERATION POLICY

Remuneration is covered by the Finance Committee and is delegated by the Court of Governors to determine on its behalf the pay and remuneration of the Executives (including the CEO, Heads, DFR and DO) and their Senior Management Teams. The Committee considers a number of additional factors including an individual's contribution to the activities of the Foundation as a whole, affordability and remuneration offered by charities of a similar activity, size and complexity

The aims of the Remuneration Policy are to ensure:

- compliance with the Foundation's charitable purposes and the requirements of FRS 102
- all employees of the Foundation are treated fairly and pay decisions are free from discrimination
- From September 2019 the London Living Wage is paid to all Foundation employees, at least the minimum wage is paid to casual workers under the age of 21 years
- the remuneration provided by the Foundation to its employees is balanced between paying its employees fairly and competitively in order to attract and retain the best people for the Foundation and the duty to ensure value for money through the careful management of charity fund
- the Foundation manages its budget to effectively deliver its strategic development plans

KEY PERFORMANCE INDICATORS

The Foundation assesses its success in the implementation and pursuit of its Charity strategy by the following key performance indicators:

- pupil numbers in the schools
- the academic results
- the achievements of its pupils in all areas of educational development including sport, music and drama

The financial performance indicators include:

- pupil numbers
- net fees
- total income
- total expenditure
- and education and Foundation surpluses

The Foundation continues to develop KPIs and measurements of performance to help Governors understand how the Foundation and its schools as a whole are performing, the direction of travel and if the objectives outlined in the strategy are being met.

RESERVES, FINANCIAL RESOURCES AND LIQUIDITY

As stated in Note 20 of the accounts, the funds of the Foundation are split between those available for day-to-day requirements of the Foundation, namely the Unrestricted Fund £34,796k (2020 - £35,659k), those which are restricted of £11,579k (2020 - £449k) and the Permanent Endowment Fund £3,012k (2020 - £1,568k). Included in this balance is a Pension Provision for the year of £110k (2020 - £139k, see Note 11).

The Reserves Policy is to maintain financial resources sufficient to meet the Foundation's normal working capital requirements, as well as current and future capital expenditure obligations. These resources include a combination of:

The regular achievement, on an annual basis, of an acceptable level of positive internal generation of net operational cash flow, after operating expenses but to exclude a charge for depreciation:

- the availability of borrowings under one or more medium to long-term unsecured committed loan credit facilities; and
- to the extent feasible, the availability of further funds resulting from fundraising activities and initiatives which result in donations and contributions to the Foundation, in support of its educational objectives

INVESTMENT POLICY

The Governors' current policy is to invest any surplus working capital funds in interest bearing deposits with a number of financial institutions, while maintaining sufficient financial resources to meet its normal operating and capital expenditure commitments. The Foundation Trusts hold equity income shares in the Charities Official Investment Fund ("COIF"). The Court of Governors consider COIF to be a most suitable investment vehicle for Foundation because of its investment philosophy and ethical investment policy, its broad range of funds providing diversification of risk, and its exclusivity to Charity, faith and local authority clients. The Ousey and Winfrey Trusts hold portfolio of shares and COIF income shares.

RISK MANAGEMENT

The Governors regularly assess political, financial and economic situations, the regulatory and legal framework, changes in social attitudes, and pupil and employee welfare in undertaking period reviews of the systems and procedures which are in place to manage risks. These are incorporated in the Foundation's "Risk Map". The management of risk is a routine part of the day-to-day operation and activities of the Foundation. The Executives regularly report to the Court of Governors both directly and through the relevant sub-committee on all matters concerning risk management, in particular risks arising from Health and Safety. As an independent fee-charging provider of education, whose pupil recruitment is both national and international, the Foundation is mindful of overall national and international economic conditions and recognises their potential impact on the Charity.

Appropriate procedures are in place to assess, and address identified risks. Health and Safety matters are co-ordinated through the Foundation Health and Safety Committee which reports to the Estates Committee. In addition, risk management controls relate to the areas of strategic planning, IT, cyber security, budget and management accounting, formal written policies, financial authorisation and approval procedures, and safeguarding procedures for the protection of children. The Foundation's policies in the academic, pastoral and extra-curricular areas for each of the schools are subject to periodic review.

Mill Hill School Enterprises and Cobham Hall Enterprises operate in accordance with the Foundation's Risk Map and relevant policies. In addition, the Directors of the Enterprise companies have identified trading operations as a risk to the Company. Enterprises has been severely impacted by Covid 19 restricting its ability to trade during the year.

AUDITORS

In accordance with Section 487(2) of the Companies Act, a resolution proposing the appointment of the Auditors will be put to the Court of Governors.

Approved by the Court of Governors on

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and signed on its behalf by, Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS, Chair of the Court of Governors.

Date: Saturday 11 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MILL HILL SCHOOL FOUNDATION

Opinion
We have audited the financial statements of The Mill Hill School Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise of the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement 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 state of the group's and the parent charitable company's affairs as at 31 August 2021 and of the group's 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 requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 group's and parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Trustees' annual 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

16 December 2021

The Mill Hill School Foundation

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2021

	Notes	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	**Total 2021 £000s**	Total 2020 £000s
INCOME FROM:							
Charitable Activities							
School fees	3	35,059	-	(293)	-	**34,766**	31,712
Other educational income	4	1,674	-	-	-	**1,674**	1,409
Other income							
Other trading income	5	414	-	-	-	**414**	248
Investments	6						
Investment Income		10	-	50	-	**60**	119
Voluntary sources	7						
Grants and donations		536	12	720	1,079	**2,347**	1,297
Exceptional item	28	21	-	8,607	-	**8,628**	-
Total income and endowments		37,714	12	9,084	1,079	**47,889**	34,785
EXPENDITURE ON:							
Costs of raising funds	8						
Fundraising and development		13	-	-	-	**13**	46
Other trading costs		285	-	-	-	**285**	234
Interest and other costs		409	-	-	-	**409**	474
Charitable activities							
Education		35,797	19	20	-	**35,836**	32,846
Total expenditure	8	36,504	19	20	-	**36,543**	33,600
Net operating income/(expenditure)		1,210	(7)	9,064	1,079	**11,346**	1,185
Net gains on investments	14	-	-	-	365	**365**	34
Net income/(expenditure)		1,210	(7)	9,064	1,444	**11,711**	1,219
Transfer between funds	20	(2,066)	-	2,066	-	**-**	-
Net movement in funds		(856)	(7)	11,130	1,444	**11,711**	1,219
Fund balances brought forward		33,556	2,103	449	1,568	**37,676**	36,457
Fund balances carried forward	20, 21	32,700	2,096	11,579	3,012	**49,387**	37,676

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Mill Hill School Foundation

BALANCE SHEET

as at 31 August 2021

	Notes	**2021 Group £000s**	2020 Group £000s	**2021 Foundation £000s**	2020 Foundation £000s
FIXED ASSETS					
Tangible assets	13	**63,535**	49,731	**63,530**	49,731
Investments	14	**3,197**	1,568	**194**	-
		66,732	51,299	**63,724**	49,731
CURRENT ASSETS					
Stocks	15	**54**	37	**54**	37
Debtors	16	**897**	620	**882**	581
Cash at bank and in hand		**12,644**	9,038	**12,203**	8,964
		13,595	9,695	**13,138**	9,582
CREDITORS: Amounts falling due within one year	17	**(13,053)**	(8,828)	**(12,986)**	(8,793)
NET CURRENT ASSETS/(LIABILITIES)		**542**	867	**153**	789
TOTAL ASSETS LESS CURRENT LIABILITIES		**67,274**	52,166	**63,877**	50,520
CREDITORS: Amounts falling due after more than one year	18	**(17,779)**	(14,351)	**(17,779)**	(14,351)
Provisions for liabilities and charges	11	**(110)**	(139)	**(110)**	(139)
NET ASSETS		**49,385**	37,676	**45,988**	36,030
FUNDS					
Restricted funds	20	**11,579**	449	**11,412**	420
Unrestricted funds – general	20	**34,796**	35,659	**34,578**	35,610
Endowment fund	20	**3,012**	1,568	**-**	-
		49,387	37,676	**45,990**	36,030

The Foundation has taken the exemption under Companies Act 2006 s.408 to omit its profit and loss account from the statutory group accounts. The Total Incoming Resources for The Foundation during the year ended 31 August 2021 was £46,233k (2020: £34,595k) and Net Income during the year ended 31 August 2021 was £9,983k (2020: £1,227k). Excluding the exceptional item in the year the Total Incoming Resources was £37,625k and Net Income was £1,375k.

Approved and authorised for issue by the Board of Governors on Saturday 11 December 2021 and signed on their behalf by:

Elliot Lipton
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 3404450

The Mill Hill School Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2021

CASH FLOW STATEMENT	Notes	**2021**	2020
		£000s	£000s
Net cash inflow from operating activities	27	**4,559**	(92)
Cash flows from investing activities:			
Bank interest received		**10**	72
Dividends received		**50**	47
Interest element of finance lease rental payments		**(361)**	(416)
Payments to acquire fixed assets		**(4,305)**	(3,156)
Net cash outflow from investing activities		**(4,606)**	(3,453)
Financing:			
Loans received		**4,500**	-
Loans repaid		**(844)**	(783)
Net cash outflow from financing activities		**3,656**	(783)
Increase/(decrease) in cash		**3,609**	(4,328)
Cash and cash equivalents at the beginning of the reporting period		**9,038**	13,366
Cash and cash equivalents at the end of the reporting period		**12,647**	9,038

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

1 ACCOUNTING POLICIES

The Mill Hill School Foundation is a charitable company limited by guarantee with registered number 3404450, incorporated and domiciled in England and Wales. Its registered office is Walker House , Millers Close, The Ridgeway, Mill Hill, NW7 1AQ.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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 thousand pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The Group comprise The Mill Hill School Foundation, Mill Hill School Enterprises, Cobham Hall Enterprises and five separately registered charitable trusts linked to The Mill Hill School Foundation. The assets, liabilities and results of the wholly owned subsidiaries are consolidated into these financial statements. Summarised details of the subsidiary company are set out in Note 25. There are five separately registered charitable trusts linked to Mill Hill School, the assets, liabilities and results of these trusts are consolidated into these financial statements. Summarised details of the charitable trusts are as described in Note 24. All activities as per Consolidated Statement of Financial Activities (SOFA) relate to continuing operations.

1.2 GOING CONCERN

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the impact of the COVID-19 pandemic. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the governors continue to prepare the financial statements on a going concern basis.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee to the extent of £1 each from the guarantors at the present time, being the Governors of The Foundation.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the Foundation.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 GRANT INCOME

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.7 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Costs of generating funds relates to finance interest, fundraising costs and costs associated with the trading subsidiaries.

Governance costs comprise the costs of running the Foundation, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

1.8 TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.9 FIXED ASSETS AND DEPRECIATION

All fixed assets are held to provide an on-going economic benefit to the Foundation through their contribution, directly or indirectly, to the provisions of goods or services by the Foundation. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date, with the exception of land and buildings.

Land was previously depreciated within Freehold Property as they are not separable from freehold property due to the historic nature of the site and lack of specific valuation to enable a split to be determined between land and freehold property elements. The Mount School freehold land, included in the Accounts at a cost of £33,500 is not depreciated. The land and buildings are not depreciated due to regular maintenance and are subject to an annual impairment review. Whilst The Foundation acknowledges that there is wear and tear to the properties as they are in constant use, the investment that is being put back into the properties is considered to be more than enough to offset any wear and tear that would decrease the value of the buildings. At each reporting end date, the Foundation reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase unless they form part of a larger project.

Depreciation is provided on all tangible fixed assets, other than freehold land and buildings, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Land and Freehold property	- not depreciated
Furniture and equipment	- 3.3% - 33.3% p.a
Fixtures and fittings	- 3.3% - 33.3% p.a
Vehicles	- 20% p.a.

The cost of the freehold property does not include any capitalised interest on borrowing costs relating to specific projects as The Foundation chooses not to capitalise this. The Foundation has introduced a rolling policy of fixed assets verification. Necessary adjustments to the fixed asset values and depreciation charges have been carried out when any fixed asset has been disposed of, either during its expected useful life or after it has been fully depreciated. All assets of The Foundation are held for charitable use with the exception of those held by Mill Hill School Enterprises.

1.10 STOCKS

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

1.11 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The Foundation also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

The Foundation also pays contributions into a defined benefit pension scheme for teaching staff on the basis of contribution rates recommended by the Teachers Pensions Agency. As described in Note 11, this scheme is accounted for as a defined contribution scheme, using the exemption permitted in IAS 19 for multi-employer schemes.

1.12 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.13 INVESTMENTS

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

1.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.15 FINANCIAL INSTRUMENTS

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.16 ADVANCED FEE PAYMENT SCHEME

The Advanced Fee Payment Scheme commenced in the Autumn Term 2006. Under the Scheme parents enter into a contract to pay The Foundation a minimum of 4 Terms and a maximum of 42 Terms (14 years) tuition fees in advance. The discounts given with the Advanced Fee Payment Scheme are recognised on the Balance Sheet and will be written off over the life of the relevant advance payment. A portion of the Advanced Fee Payment may be returned under specific conditions (see note 18 for detail).

1.17 TAXATION

The Foundation is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 2010.

1.18 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when The Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 FUNDS

The Foundation maintains four types of fund:
- Restricted: where the purpose for which the funds may be used have been restricted by donors.
- Unrestricted: where funds are for the use of the Governors for the general purposes of The Foundation.
- Endowed: an endowment fund to generate income for the three Trust Funds; the incoming resources from endowment funds are restricted.
- Designated: funds which have been allocated for a specific purpose by the Court of Governors.

See note 20 for details of in-year movements of funds.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The trustees consider that investment in the properties is sufficient to offset any wear and tear that would decrease the value of the buildings. This policy will be reviewed each year and if there are indications that depreciation will no longer be immaterial or if there are any indications of impairments the policy will be changed. See note 13 for the carrying amount of the property, plant and equipment and note 1.9 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The Foundation makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Provisions have been made for property contracts, dilapidations, restructuring, post-employment benefits and customer redress. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

Investment property

The Foundation uses the valuation performed by its independent valuers as the fair value of its investment properties. The valuation is based upon the key assumptions of estimated rental values and market based yields. In determining fair value the valuers make reference to market evidence and recent transaction prices for similar properties.

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

3 FEE INCOME

The School's activities are carried out within the UK.	**2021**	2020
The school's fee income comprised:	**£000s**	£000s
Gross fees	**37,235**	35,222
Less: Discounts	**(728)**	(1,946)
Less: Scholarships and bursaries	**(1,741)**	(1,564)
	34,766	31,712

Included within scholarships and bursaries is an amount of £293k (2020: £283k) which relates to restricted bursaries.

4 OTHER EDUCATIONAL INCOME

	2021	2020
	£000s	£000s
Extras and disbursements	**761**	514
Registration fees	**260**	225
Fees in lieu of notice	**405**	274
School trips	**8**	365
Other income	**240**	31
	1,674	1,409

5 OTHER TRADING INCOME

	2021	2020
	£000s	£000s
Rent and lettings	**-**	26
Profit/(loss) on disposal of assets	**(19)**	(3)
Enterprise company	**433**	225
	414	248

6 INVESTMENT INCOME

	2021	2020
	£000s	£000s
Interest receivable	**10**	72
Dividend income	**50**	47
	60	119

Included within the above is an amount of £50k (2020: £47k) which relates to restricted income.

7 DONATIONS AND GRANTS

	Unrestricted	**Designated**	**Restricted**	**Endowment**	**2021**	2020
	£000s	**£000s**	**£000s**	**£000s**	**£000s**	£000s
Donations and gifts	536	12	720	1,079	**2,347**	1,297
Donations and grants	-	12	581	-	**593**	264
Ousey and Winfrey Trusts	**-**	**-**	139	1,079	**1,218**	-
Legacies	194	**-**	**-**	-	**194**	-
Furlough grant	342	**-**	**-**	-	**342**	1,033
Total	**536**	**12**	**720**	**1,079**	**2,347**	1,297

Included within the above is an amount of £720k (2020: £264k) which relates to restricted income.

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2021

8 EXPENDITURE	Staff costs (note 9)	Other	Depreciation	**Total 2021**
	£000s	£000s	£000s	**£000s**
Teaching	19,637	1,473	-	**21,110**
Welfare	2,666	1,281	-	**3,947**
Premises and Estates	1,026	3,391	1,296	**5,713**
Administration	2,750	2,043	-	**4,793**
Finance	-	409	-	**409**
Trading costs	179	119	-	**298**
Governance	92	181	-	**273**
	26,350	8,897	1,296	**36,543**

Included within expenditure is an amount of £20k (2020: £25k) relating to restricted expenditure.

	Staff costs	Other	Depreciation	Total 2020
	£000s	£000s	£000s	£000s
Teaching	17,590	1,684	-	19,274
Welfare and Catering	2,477	1,056	-	3,533
Premises	982	3,533	1,006	5,521
Administration	2,226	2,020	-	4,246
Finance	-	474	-	474
Trading costs	195	474	-	669
Governance	167	105	-	272
	23,637	9,346	1,006	33,989

Other Governance Costs include:	**2021**	2020
	£000s	£000s
Auditors' remuneration		
- Audit Fees	**51**	47
Legal and Professional Fees	**128**	51

Administration, finance and trading costs include:	**2021**	2020
	£000s	£000s
Salaries	**2,353**	1,927
National Insurance	**223**	179
Pension Costs	**128**	107
Redundancy Costs	**-**	13
Other Staff Costs	**225**	195
IT support	**490**	430
Postage and stationery	**327**	369
Telephones	**139**	111
Marketing and advertising	**729**	611
Miscellaneous - Administration	**108**	154
Bad debts	**(96)**	86
Legal and Professional Fees	**236**	132
Other Administration Costs	**79**	99
Bank charges and interest	**19**	28
Loan Interest	**361**	416
Other Finance	**48**	58
Other trading costs	**119**	85
	5,488	5,000

9 STAFF COSTS

	2021	2020
	£000s	£000s
Wages and salaries	**20,123**	17,854
Redundancy and settlement costs	**109**	13
Social security costs	**2,102**	1,864
Other pension costs	**3,130**	2,888
Other staff costs	**886**	1,018
	26,350	23,637

The number of employees who received remuneration under redundancy and settlement costs were 14 (2020: 3)

The average monthly number of employees during the year was as follows:	**2021**	2020
	No.	No.
Teaching	**263**	221
Non-teaching	**350**	277
	613	**498**

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:	**2021**	2020
	No.	No.
£60,000 - £70,000	**50**	43
£70,001 - £80,000	**25**	17
£80,001 - £90,000	**4**	1
£90,001 - £100,000	**1**	1
£100,001 - £110,000	**4**	1
£110,001 - £120,000	**-**	1
£120,001 - £130,000	**-**	2
£130,001 - £140,000	**1**	-
£160,001 - £170,000	**1**	-
£170,001 - £180,000	**1**	-
	87	66

Pension contributions for the year under money purchase amounted to £65k (2020: £19k) and pension contributions for the year under defined benefit schemes was £1,265k (2020: £1,057k) for the above employees.

Key management personnel include the CEO, Foundations' Headteachers and the Director of Finance and Resources and Director of Operations. The total number of key management personnel receiving pay and benefits is 7 (2020: 6). The total pay and benefits received by key management personnel were £1,101k (2020: £872k).

10 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration for the year ended 31 August 2021 nor for the year period 31 August 2020. 6 Governors (2020: 7) were reimbursed travel expenses totalling £1k (2020: £3k).

11 PENSIONS

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 £2,736k (2020: £2,558k) and at the year end £nil (2020: £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. The consultation closed to response on 19 August 2021 and the Government is currently analysing the responses.

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

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

In January 1993, a Money Purchase, Group Personal Pension Scheme for non-teaching staff was established. Initially, it was available to those who wished to join once a one year qualifying period had passed. In April 2002, this was reduced to a three month qualifying period. This reduction in qualifying period allowed The Foundation to be exempted from the requirement to provide a Stakeholder Pension Scheme as required by the Government. The total cost to The Foundation for the Group Personal Pension Scheme in 2021 was £378k (2020: £327k). Outstanding at the year end £47k (2020: £nil).

In addition, The Foundation has unfunded pension arrangements, which have been closed to new members since December 1978. The unfunded pension obligations of these arrangements call for making annual payments to five retired members of staff (2020: six retired members of staff) which are charged against revenue in the year. Payments to pensioners in the year were £16k (2020: £19k) and a reduction in the value of the liability of £29k (2020: £nil) has been recognised in the year. In the absence of a formal actuarial valuation of this scheme, a liability equivalent to the latest annuity purchase value has been recognised in the balance sheet at a value of £110k (2020: £139k).

12 NET INCOME FOR THE YEAR

	2021	2020
	£000s	£000s
Net income is stated after charging:		
Depreciation of tangible fixed assets	**1,296**	1,006
Operating lease rentals – other	**361**	230
Auditor's remuneration		
Audit services for the Foundation - current year	**40**	38
Audit services for the Foundation - prior year under provision	**4**	3
Audit services for the subsidiary	**7**	6
Non-audit services	**10**	25

13 TANGIBLE FIXED ASSETS

GROUP

	Freehold Property £000s	Fixtures, Fittings, Furniture, & Equipment £000s	Motor Vehicles £000s	**Total £000s**
Cost:				
At 1 September 2020	53,180	10,481	362	**64,023**
Additions	2,752	1,534	19	**4,305**
Disposals	-	(89)	(20)	**(109)**
Assets transferred in from acquisition	10,650	836	57	**11,543**
At 31 August 2021	66,582	12,762	418	**79,762**
Depreciation:				
At 1 September 2020	7,926	6,129	237	**14,292**
Charge for year	-	1,190	48	**1,238**
Disposals	-	(72)	(18)	**(90)**
Depreciation transferred in from acquisition	8	722	57	**787**
At 31 August 2021	7,934	7,969	324	**16,227**
Net book value:				
At 31 August 2021	58,648	4,793	94	**63,535**
At 1 September 2020	45,254	4,352	125	**49,731**

Included within Fixtures & Fittings are gross assets of £10k and depreciation of £10k relating to Mill Hill Enterprises giving a nil Net Book Value on these Enterprise assets and gross assets of £6k and depreciation of £1k relating to Cobham Hall Enterprises giving a £5k Net Book Value

The cost of freehold property represents the historical value recorded in the books of The Foundation consisting of £15,450k, the value placed in 1872 on the land and buildings of the 1869 New Foundation, and the net cost of additions since that date. The court are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £248,335k (2020: £170,560k). An annual impairment review is undertaken. See note 1 for more detail.

The Foundation has long-held historic assets which are used in the course of its teaching. These collections include antiquities and works of art. These historic assets were appraised by Bonhams during the year to a value of £232k and are insured through an appropriate policy. As the assets are in regular use to support the main objects of the Foundation they are regarded as functional rather than heritage assets.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £45,701 (2020: £41,622) for the period.

	2021	2020
	£000s	£000s
Motor Vehicles	**41**	71
IT Equipment	**23**	22

14 INVESTMENTS

GROUP	Market value **2021 £000s**	Investment properties **2021 £000s**	Total **2021 £000s**	Market value 2020 £000s	Investment properties 2020 £000s	Total 2020 £000s
Cost/valuation at 1 September 2020	**1,568**	**-**	**1,568**	1,534	-	1,534
Additions	**1,070**	**194**	**1,264**	-	-	-
Gains arising from movements in valuations	**365**	**-**	**365**	34	-	34
Cost/valuation at 31 August 2021	**3,003**	**194**	**3,197**	1,568	-	1,568
Historic cost	**1856**	**194**	**2,050**	786	-	786

FOUNDATION	**Investment properties Total 2021 £000s**	Investment properties Total 2020 £000s
Additions	**194**	-
Cost/valuation At 31 August 2021	**194**	-
Historic cost	**194**	-

15 STOCK

	2021 £000s	2020 £000s
	54	37

16 DEBTORS

	2021 Group £000s	2020 Group £000s	**2021 Foundation £000s**	2020 Foundation £000s
Fees and extras	**1,378**	608	**1,273**	563
Less provision for doubtful debts	**(1,047)**	(452)	**(1,047)**	(452)
Other debtors	**29**	230	**29**	230
Prepayments and accrued income	**536**	234	**532**	234
Amount due from group undertaking	**-**	-	**95**	6
	897	**620**	**882**	**581**

17 CREDITORS

Amounts falling due within one year:

	2021 Group £000s	2020 Group £000s	**2021 Foundation £000s**	2020 Foundation £000s
Loans	**1,552**	850	**1,552**	850
Trade creditors	**1,446**	1,044	**1,422**	1,040
Taxation and social security costs	**51**	49	**19**	32
Fees received in advance and deposits	**9,559**	6,598	**9,559**	6,598
Other creditors	**194**	78	**151**	70
Accruals	**207**	184	**189**	177
Amounts payable under finance leases	**43**	26	**43**	26
Amount due to group undertaking	**-**	-	**51**	-
	13,053	8,828	**12,986**	8,793

Deferred income:	**2021 £000s**	2020 £000s
Brought forwards	**6,598**	8,439
Released in year	**(6,598)**	(8,439)
Received in year	**9,559**	6,598
Carried forwards	**9,559**	6,598

Deferred income relates to schools fees received in advance for the following term.

18 CREDITORS DUE AFTER ONE YEAR

	2021 Foundation & Group £000s	2020 Foundation & Group £000s
Amounts falling due after more than one year:		
Bank loan	**13,021**	10,066
Amounts payable under finance leases	**72**	63
School fee deposits	**3,969**	3,364
Fees in advance	**717**	858
	17,779	14,351

	2021	2020
	£000s	£000s
Movement on loans		
In one year or less	1,553	850
Between one and two years	1,812	884
Between two and five years	7,272	2,605
After five years	3,936	6,577
	14,573	10,916

	2021	2020
	£000s	£000s
Movement on school fee deposits:		
In one year or less	2,080	1,832
Between one and two years	1,090	852
Between two and five years	1,493	1,287
After five years	1,386	1,225
	6,049	5,196

	2021	2020
	£000s	£000s
Movement on fees in advance:		
In one year or less	7,479	4,766
Between one and two years	424	448
Between two and five years	293	395
After five years	-	15
	8,196	5,624

	2021	2020
	£000s	£000s
Movement on finance leases:		
In one year or less	63	26
Between one and two years	41	63
Between two and five years	-	-
	104	89

The Foundation has three loan facilities with National Westminster Bank Plc of £2.5m, £6m and £4.5m. The loans are repayable in quarterly instalments of £69k, £102k and £75k per annum respectively. The maturity dates of the facilities are 16 October 2028, 28 August 2034 and 6 November 2026. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.25% on the first loan, a fixed rate of LIBOR + 2.25% on the second, and base rate + 3% on the third. The Foundation entered into an interest rate swap agreement on October 2013 at a rate of 3.48% on the first loan. The effective interest rate on this loan is 5.73%. The £4.5m CBILS loan was repaid in December 2021.

Interest charged in the year on amounts drawn totalled £99k, £113k and £nil (2020: £108k and £149k) and the balances outstanding at the balance sheet date were £1.6m, £4.7m and £4.5m respectively.

The Foundation has two loan facilities with Allied Irish Bank Plc of £4m and £3m. The £4m loan is repayable in quarterly instalments totalling £381k per annum. The maturity date of the facility is 31 December 2023. Interest on the amounts drawn is charged at a rate of 4.99% per annum. The £3m loan was taken out in the prior year and is repayable by quarterly instalments of £12.5k for the first 5 years and then increasing to £81k exclusive of interest. The maturity date of the facility is 31 October 2025. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.5%.

Interest charged in the year on amounts drawn totalled £55k and £75k (2020: £67k and £92k) and the balance outstanding at the balance sheet date was £3.75m.

19 FINANCIAL INSTRUMENTS

	2021 Group £000s	2020 Group £000s	**2021 Foundation £000s**	2020 Foundation £000s
Financial assets measured at fair value through profit and loss	**3,197**	1,568	**-**	-
Carrying amount of financial assets				
Debt instruments at amortised cost	**360**	284	**350**	295
Carrying amount of financial liabilities				
Measured at amortised cost	**22,548**	17,419	**22,465**	17,399

20 STATEMENT OF FUNDS

	At 1 September 2020 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2021 £000s
Unrestricted funds:						
General reserve	33,556	37,714	(36,504)	(2,066)	-	32,700
Designated Fund	1,996	-	-	-	-	1,996
Designated fund (donations & fundraising)	107	12	(19)	-	-	100
	35,659	37,726	(36,523)	(2,066)	-	34,796
Restricted funds:						
Other Restricted Funds	235	674	(136)	(192)	-	581
Cobham Hall School	-	8,584	-	2,066	-	10,650
ABC Bursaries	214	119	(177)	192	-	348
Total restricted	449	9,377	(313)	2,066	-	11,579
Endowment fund	1,568	1,079	-	-	365	3,012
Total funds	37,676	48,182	(36,836)	-	365	49,387

	At 1 September 2019 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2020 £000s
Unrestricted funds:						
General reserve	29,934	34,745	(33,555)	2,432	-	33,556
Designated fund - general	2,876	6	(10)	(876)	-	1,996
Designated fund (donations & fundraising)	111	6	(10)	-	-	107
	32,921	34,757	(33,575)	1,556	-	35,659
Restricted funds:						
Restricted Other Funds	257	139	(91)	(70)	-	235
Mill Hill Music School	500	-	-	(500)	-	-
Belmont gym	923	91	-	(1,014)	-	-
ABC Bursaries	322	81	(217)	28		214
Total restricted	2,002	311	(308)	(1,556)	-	449
Endowment fund	1,534	-	-	-	34	1,568
Total funds	36,457	35,068	(33,883)	-	34	37,676

Fund Details

The following is a summary of the origins and purposes of each of the Funds

Endowment Funds - Permanent:

The Scholarships, Prizes and University Trust Funds comprise three separate Trusts established by way of donations to provide financial assistance to The Foundation's pupils and former pupils.

Restricted Funds:

Trust Funds consist of:

Mill Hill School Scholarships & Bursaries Trust: The Trust was created by a Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, for Scholarships & Bursaries at Mill Hill School.

Mill Hill School University Entrance Scholarship Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for the leaving Scholarships from Mill Hill School for entrance to British Universities.

Mill Hill School Prizes Trust: The Trust was by created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for prize awards to pupils at Mill Hill School to recognise merit shown by the pupils in the academic, artistic or technical performance or in the development of character.

ABC Bursaries Fund: A Better Chance (ABC) Bursaries Fund supports bursary students at Belmont and Mill Hill School. Development offices coordinates various fundraising campaign amongst Old Millhillians, Old Belmontian and parent body in support of the fund.

Belmont Gym Fund: During December 2017 the sports hall at Belmont school was damaged by fire. Included within the restricted income is £nil (2020: £91k) used to construct the new building. The school undertook fundraising to match the funding which has been shown as restricted funds. The gym completed in 2020.

Mill Hill Music School Fund: This fund represents donation income received in the prior year for the purpose of refurbishing the Mill Hill School music block. The refurbishment was completed in the 19/20 academic year.

Cobham Hall School: During the year the Foundation acquired Cobham Hall School, an independent day and boarding school for girls. The land and the buildings have been recognised in restricted funds as a result of a restrictive covenant in place for 5 years.

Unrestricted Funds

Designated fund (donations & fundraising) was established in 2007 from fundraising activities to support The Mill Hill School Foundation's educational and business development plan. New designated fund was established in 2017 to provide for the planned capital expenditure and unforeseen events such as fire and flood. The Foundation commissioned a detailed survey of its Estate in 2017, the survey has recommended a 10 years repairs and maintenance program costing over £7700k. The General reserve £43,180 value at August 2021, £43,034 relates to The Foundation (2020: £30,069) and £146k relates to Mill Hill School Enterprises (2020: £49k).

The transfer of funds represent the completion of specific projects.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	**2021 Total £000s**
Tangible fixed assets	52,885	10,650	-	**63,535**
Investments	-		3,197	**3,197**
Current assets	12,666	929	-	**13,595**
Current liabilities	(13,053)	-	-	**(13,053)**
Long term liabilities	(17,889)	-	-	**(17,889)**
Total net assets	34,609	11,579	3,197	**49,385**

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	2020 Total £000s
Tangible fixed assets	49,731	-	-	49,731
Investments	-	-	1,568	1,568
Current assets	9,246	449	-	9,695
Current liabilities	(8,828)	-	-	(8,828)
Long term liabilities	(14,490)	-	-	(14,490)
Total net assets	35,659	449	1,568	37,676

22 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 Plant & Machinery £000s	**2021 Other £000s**	2020 Plant & Machinery £000s	2020 Other £000s
Due within one year	**272**	**89**	259	19
Due between one to two years	**158**	**56**	239	3
Due between two to five years	**83**	**58**	190	-
Due after more than five years	**-**	**6**	-	-
	513	**209**	688	22

23 RELATED PARTIES

In 2020 Gardiner and Theobald LLP provided services in relation to the new Belmont Gym. D Dickinson Esq, a Governor and Trustee of The Foundation, is a retired Partner of Gardiner & Theobald LLP. During the year the total payment made was £nil (2020: £35k), of which £nil (2020: £35K) relates to services provided to Belmont Gym Project. During the year, The Mill Hill School Foundation incurred recruitment costs of £540 (2020: £44k) from RS Academics, a company at which R Burdell, a former Trustee of The Foundation, is the Head of Finance and Marketing Appointments. The Mill Hill School Foundation used the services of Quod Ltd, a company which E Lipton has business dealings with, in relation to the planning of the sports hall. During the year, total payment made was £15k (2020: £8k). There were no other related party transactions.

24 TRUST FUNDS

Mill Hill School Scholarships and Bursaries Trust
Mill Hill School University Entrance Scholarship Trust
Mill Hill School Prizes Trust

The combined results for the above Trust Funds for the period ended 31 August 2021 are:

	2021 £000s	2020 £000s
Net assets at At 1 September 2020	**1,722**	1,685
Income	**50**	47
Expenditure	**(51)**	(44)
Excess expenditure over income	**(1)**	**3**
Purchase of investments	**-**	-
Unrealised gains on investments	**276**	34
Net Assets at At 31 August 2021	**1,997**	**1,722**

The Trust Funds provide financial assistance to The Foundation pupils and to former pupils during their period at university. The total of such payments in 2021 for pupils in the school was £51k (2020: £44k).

Further information may be obtained from the Director of Finance and Operations at its registered address, which is The Mill Hill School Foundation, Walker House, Millers Close, The Ridgeway, Mill Hill, London, NW7 1AQ.

During the year control of a further two Trust Funds passed to the Foundation.

	Charity number
The Ousey Scholarship Trust	1035224
Sir Richard Winfrey Memorial Scholarship	1019611

The trust funds provide scholarships to the pupils at the school.

The combined results for the above Trust Funds transferred to the school for the period ended 31 August 2021 are:

	2021 £000s
Investments - Endowment	**1,070**
Cash - Endowed	**9**
Cash - Restricted	**215**
Current Liabilities	**(76)**
	1,218
Donation - Endowed	**1,079**
Donation - Restricted	**139**
	1,218

25 CONTROLLED ENTITY

Mill Hill School Enterprises is a company limited by guarantee and is controlled by The Mill Hill Foundation which is a company registered in England and Wales, number 1690525. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2021 and the year ending 31 August 2020 are detailed as follows:

	2021	2020
	£000s	£000s
Income	**326**	225
Expenditure	**(229)**	(233)
Rent paid to The Mill Hill School Foundation	**-**	(38)
Excess of income over expenditure*	**97**	(46)
Assets	**233**	89
Liabilities	**(87)**	(40)
Net assets at year end	**146**	49

*an annual rental of £nil (2020: £37.5k), salary and pension £176k (2020: £37k), catering and cleaning £nil (2020: £nil), heat and light £4k (2020: £4k) insurance £nil (2020: £nil), repairs & maintenance £nil (2020: £nil), telephone £1k (2020: £1k) was paid to The Foundation. The year-end surplus (excess of income over expenditure) of Mill Hill School Enterprises for 2021 is £97k (2020: £nil). The year-end surplus (if any) is distributed to The Mill Hill School Foundation under the gift aid scheme.

Cobham Hall Enterprises is a company limited by share capital and is controlled by The Mill Hill Foundation which is a company registered in England and Wales, number 03032723. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2021 and the year ending 31 August 2020 are detailed as follows:

	2021	2020
	£000s	£000s
Income	**106**	-
Expenditure	**(59)**	-
Excess of income over expenditure	**47**	-
Assets	**126**	-
Liabilities	**(57)**	-
Net assets at year end	**69**	-

26 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted at 31 August 2021 totalled £213k (2020: £nil). The Foundation has to make significant ongoing investments to maintain its historical buildings and grounds. An independent survey commissioned by The Foundation in 2017 recommended a total investment of £7.7 million in capital expenditure over the 10 year period.

27 NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities	**2021 £ £000s**	2020 £ £000s
Net movement in funds	**11,711**	1,219
Gains on investments	**(365)**	(34)
Depreciation	**1,238**	1,007
Investment income	**(10)**	(72)
Dividends received	**(50)**	(47)
Loan interest	**361**	416
Increase/(decrease) in pension provision	**(29)**	-
Profit/(Loss) on sale of Fixed Assets	**(166)**	4
Increase/(Decrease) in creditors	**4,002**	(2,635)
(Increase)/Decrease in debtors	**(281)**	31
Decrease/(Increase) in stocks	**(17)**	19
Fair value of assets transferred in	**(10,571)**	-
Gift of investment property	**(194)**	-
Trusts transfer	**(1,070)**	-
	4,559	(92)

Analysis of changes in net debt

	At 1 September 2020 £000s	**Cash flows £000s**	**Other non-cash changes £000s**	**At 31 August 2021 £000s**
Cash and cash equivalents				
Cash	9,038	3,609	**-**	**12,648**
Overdrafts	**-**	**-**	**-**	**-**
Cash Equivalents	**-**	**-**	**-**	**-**
	9,038	3,609	**-**	**12,648**
Borrowings				
Debt due within one year	(850)	843	(1,545)	**(1,552)**
Debt due after one year	(10,066)	(4,500)	1,545	**(13,021)**
	(10,916)	(3,657)	**-**	**(14,573)**
Total	**(1,878)**	**(48)**	**-**	**(1,925)**

28 ACQUISITION OF COBHAM HALL SCHOOL

On 4 March 2021 the Foundation acquired Cobham Hall School, an incorporated charity limited by guarantee incorporated in England and Wales, company number 686707 and charity number 313650. The consideration was for £1. On that date Cobham Hall School transferred all of its trade and net assets to the Foundation. Cobham Hall School has been dormant since 5 March 2021.

	Book Value	Fair Value
	£	£
Cash and cash equivalents	19	19
Freehold buildings	6,125	10,650
Property, plant and equipment	159	159
Current assets	11	11
Current liabilities	(2,232)	(2,232)
Net assets	4,082	8,607

On 4 March 2021 the Foundation also acquired the share capital of Cobham Hall Enterprises Limited, a company limited by shares incorporated in England and Wales, company number 03032723

	2020
	£
Tangible Assets	5
Cash and cash equivalents	2
Current assets	360
Current liabilities	(364)
Net assets	(3)
	-
Income	158
Expenditure	(137)
Profit for the year	21
Total	8,628

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The Ridgeway
Mill Hill Village
London NW7 1QS

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THE MILL HILL SCHOOL FOUNDATION

England & Wales - Charity number 1064758

Accounts

THE MILL HILL SCHOOL FOUNDATION

Company Registration Number: 03404450

Governors' Report & Financial Statements

For the year ended 31 August 2020

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Governing Body and Committees

COURT OF GOVERNORS	Election Date	Committee Membership
Chair of the Court of Governors Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS	Appointed on 19 March 2013	Ex-officio (all committees) S & T (Ch)
Vice Chair of the Court of Governors Mrs Sunena Stoneham LLB (Hons), LPC	Appointed on 1 March 2016	P, F, N&G (Chair), S
Professor Eric WFW Alton, MA MB, BS, MD, FRCP, FHEA, FERS, FMedSci	Appointed on 25 March 2015	A (Ch), S
Mrs Charlotte Avery MA (Oxon)	Appointed on 23 September 2017	A
Mr Robin Burdell FCMA	Retired on 1 October 2020	F
Mr Simon Bayliss BSc(Hons), PGCE, MSc	Appointed on 7 October 2020	P
Dr Roger Chapman BSc MB BS FRCGP	Appointed on 12 October 2019	P, C
Mr David J Dickinson DipQS FRICS	Appointed on 20 June 2006	E (Ch), F, S, C
Mr Ian Downie BSc. MIWFM, CEM Dip FM	Appointed on 28 March 2020	E, C
Mr Paul Dunleavy BA (Hons) CISSP-ISSAP CISM CDPO MBCS	Appointed on 16 May 2020	A, E, S
Mr Jamie Hornshaw, BEd (Hons), MEd, NPQH	Retired on 12 December 2020	A
Mr R A Eliott Lockhart MA MPhil	Appointed on 14 September 2013	A, S, T
Mrs Stephanie J Miller BA	Appointed on 16 March 2013	A, N&G, S
Mr Andrew Millet BA MBA FCA	Appointed on 24 March 2018	F (Ch), N&G, S, EC
Mrs Mary Moore MSC BA FCIPD	Appointed on 28 March 2020	F, S
Ms Sophie Mortimer BA	Appointed on 23 September 2016	P (Ch), C
Mr Noyan Nihat	Appointed on 12 December 2020	F
Mrs Mangal Patel MBA	Appointed on 20 September 2014	A, E, S
Mr Mark Skelly BEng (Hons) PhD RAEngVTF	Appointed 20 June 2020	E, S
Mr Andrew Welch MA (Oxon)	Deceased 14 April 2020	P, N&G

A – Academic Committee, C- Covid Committee, E – Estates Committee, EC – Enterprise Council Committee, F - Finance Committee, P – Pastoral Committee, N&G – Nominations & Governance Committee, S – Strategy Committee, T - Trustees Committee, Ch – Chair of Committee.

Annual report of the Governors

The Governors present their Annual Report and audited consolidated financial statements prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011. All matters that are included in the Strategic Report are included in the Report of the Governors.

Charitable Aims and Objectives

The Foundation's purpose, as set out in the Articles of Association, and its charitable object is to promote and provide for the advancement of education of pupils of any age. Further details can be obtained from The Clerk to the Court of Governors, Walker House, The Ridgeway, Mill Hill, London NW7 1AQ.

The Foundation's aims and objectives are set by the Court of Governors to reflect the charitable object and aims of the Foundation. The annual key strategic objectives for the Foundation are derived from the Charity's longer term strategy which is set out in The Mill Hill School Foundation Development Plan, which has been updated and revised to cover the period 2018-2021. This Plan is reviewed annually and regularly updated by the Governors in consultation with the Executives. This plan is complemented by a 10-year cash flow forecast to identify trends and inform financial planning. In setting the objectives and planning the activities, the Governors give careful consideration to the Charity Commission's public benefit guidance. In shaping the Foundation's objectives for the year and planning its activities, the Governors as Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Structure, Governance and Management of the Foundation

The Foundation is a company limited by guarantee, number 3404450, and a registered Charity, number 1064758. The Foundation's governing document is its Memorandum and Articles. During the financial year it comprised of four co- educational schools:

- Mill Hill School, founded in 1807 for pupils aged 13-18, day and boarding;
- Belmont School, founded in 1912, for pupils aged 7-13, day only;
- Grimsdell School, founded in 1995, for pupils aged 3-7, day only; and
- The Mount, Mill Hill International, founded in 2015, for pupils aged 13-17, day and boarding.

On 5th March 2021 a further school joined the Foundation, Cobham Hall School a day and boarding school for girls aged 11-18.

The Governors of the Foundation, as Directors of the Company, are also the Charity's Trustees. Governors who served during the period 1 September 2019 to the date when the Accounts were signed are shown on page 2.

In support of its charitable objectives, the Foundation operates Mill Hill School Enterprises as a wholly-owned subsidiary with its own separate Board of Directors. Mill Hill School Enterprises was incorporated on 11 January 1983, number 1690525, and is a company limited by guarantee under the Companies Act 1948, now replaced by Companies Act 2006. Its accounts are consolidated into the financial statements of the Foundation.

Governance and Management of the Foundation

Governors (other than Governors appointed to fill casual vacancies) are elected at the Annual Meeting of Life Guardians. Life Guardians duties are set out in the Foundation's Articles of Association. Membership of the Life Guardians is open to all former pupils of Mill Hill School. The Court of Governors meets at least four times a year and determines the general policies of the Foundation. Members of the Court of Governors are responsible for the management of risks faced by the Foundation. They delegate the implementation of policy and overall management of the Foundation to standing Sub- committees of the Court of Governors, all of which are chaired by a Governor or to the Executives, as appropriate, who report regularly to the Governors. A scheme of delegation formalising responsibilities between Governors, Committees and the Executives has been created and introduced from September 2019; it will be reviewed and developed further with the appointment of the CEO and DFR.

All Governors give of their time on a pro bono basis and receive no remuneration. Related party transactions are shown in note 23 to the Accounts. Any expenses reclaimed by Governors from the Foundation are shown in note 10 to the Accounts. As defined by Section 234 of the Companies Act 2006, a qualifying third party indemnity was in force throughout the last financial year and is currently in force. The Foundation also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Each Governor is elected for a term of three years, with the exception of casual vacancies which are filled only until the conclusion of the next Annual General Meeting of the Life Guardians, usually held during the Spring Term. Elected Governors can be re-elected and can serve up to a maximum of four consecutive terms. The Chair and Vice Chair may serve for additional limited terms. At least five members of the Court of Governors must be Life Guardians. All nominations and elections of Governors are in accordance with the Articles of Association of the Foundation ensuring a broad range of experience and qualifications are represented on the Court. The breadth of experience and expertise of the governing body includes two Head Teachers, a University Professor, a Doctor, a Chartered Accountant, Company Directors, Chartered Surveyor, a Property Developer, Lawyers, an Estates Director, an IT Director and a HR Director. The Foundation provides an induction process for each new Governor covering the Foundation's governance structure, the Governor's role as a trustee

and other issues which affect the Foundation. Governors are encouraged to attend external seminars for Governor and Trustee development for which funding provision is made available.

Section 172 of the Companies Act

During the year the Directors have acted in good faith with the aim of promoting the success of the Foundation and of its members of a whole by having regard to

- the likely consequences of any decision in the long term,
- the interests of the Foundations employees,
- the need to foster the Foundations business relationships with suppliers, customers and others,
- the impact of the Foundations operations on the community and the environment,
- the desirability of the foundation maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the foundation.

Supplier relationships

We value all of our suppliers, fostering long term, mutually beneficial relationships with those critical to the School's success. Suppliers are generally paid on 30 day terms. Key procurement decisions are presented to the Governors by the Executive Team prior to final decisions being made. The Board reviews the procurement policy periodically to ensure the School continues to receive the best value for money.

Antony Spencer joined the foundation as Chief Executive Officer (CEO) in January 2020. Following his appointment he appointed Nicola Marlow as Director of Finance and Resources (DFR) and Sean Ryan as Director of Operations (DO) to his management team. The day-to-day management of the Foundation is delegated to the CEO and his senior leadership team, comprising of the four Heads of the Schools, the DFR and the DO.

Sub-Committees of the Court of Governors

Standing Committee	**Composition Voting Members**	**Composition Non -Voting Members**	**In Attendance**	**Number of Meetings 1st Sep 2019 – 31st August 2020**
Finance	Governors	CEO DFR DO Executives*	Finance Manager	5
Audit**	Governors	CEO DFR	Auditors Finance Manager	1
Remuneration**	Governors	CEO DFR Executives*		2
Academic	Governors	CEO Executives*	Various academic staff as required	6
Pastoral	Governors	CEO Executives*	Deputy Heads	4
Estates	Governors	CEO DO	Estate Manager	4

		DFR Executives*		
Nomination & Governance	Governors	CEO DFR	Life Guardian	5
Strategy	Governors	CEO DFR DO		2
Covid	Governors	CEO Executives*	Estates Manager	2
Enterprise Council**	Governors	DFR Director of MSHE	Director of Development Finance Manager	1
Bursary**	Governors	CEO DFR Executives*	Finance Manager	1
Trustees**	Governors	CEO DFR	Finance Manager	1

* The Heads of Mill Hill School, Belmont Preparatory School, Grimsdell Pre-Preparatory School and the Mount Mill Hill International.

** In line with the AGBIS recommendations to reduce the number of sub-committees, these committees have been incorporated into the Finance Committee.

Our Aims and Objectives

The Foundation aims to develop thoughtful, motivated and responsible young people with a global outlook through the provision of a first-class education to boys and girls from 3 years to 18 years and to support its pupils in the passage from childhood to adulthood; we help them to thrive and find their own path to happiness and success through the range of curricular and co-curricular opportunities presented by each of our schools. Our principal activity is the education and pastoral care of our pupils.

Aims

To provide excellence in education

- To bring out the best in every individual child
- To develop moral integrity and the confidence in pupils to be themselves
- To nurture pupils from childhood to adulthood
- To build a sense of community and environmental awareness

Objectives

To provide excellence in education by:

- Providing an optimum environment in which outstanding learning can take place

- Designing a forward looking curriculum which establishes strengths in the core subjects but is also broad and flexible enough to adapt to the demands of the 21st Century
- Equipping pupils with the tools and habits of mind that enable them to navigate the global environment
- Creating a culture across the Foundation that embraces the importance of staff development and wellbeing

To bring out the best in every individual child by:

- Having high expectations of all pupils and a belief that everyone can achieve and succeed
- Promoting life-long learning and well-being
- Encouraging compassion and social responsibility in pupils through giving time, talents and treasures
- Providing a breadth of experiences and opportunities to enable pupils to find their niche

To develop moral integrity and the confidence in pupils to be themselves by:

- Practising respect and tolerance in our multi faith and multi-cultural environment, through an understanding of Christian values and traditions
- Enabling pupils to find the courage to stand up for what they believe in
- Providing opportunities to develop socially responsible pupils
- Encouraging pupils to be self-aware, resilient and to celebrate their individuality
- Motivating pupils to recognise the local, national and international context of their own education

To nurture pupils from childhood towards adulthood by:

- Providing a wide range of activities that enable pupils to develop the skills and attributes of confidence, curiosity, independent thinking, creativity, leadership and team work, resilience, emotional intelligence and adaptability
- Cultivating interests, talents and disciplines that will enhance the pupils' experience of life, now and in the future
- Providing a continuity of ethos within all four schools and effective transition of pupils

To build a sense of community and environmental awareness by:

- Working in close partnership with parents, alumni and the local community
- Managing our organisation in a financially and environmentally responsible manner
- Engaging our pupils in environmentally-conscious attitudes and an appreciation of the natural world
- Creating a sense of family and belonging through experiences and events across the Foundation

Public Benefit and Access

The Governors consider that the Foundation's purpose meets the Charity Commission guidance for the advancement of education and that the primary beneficiaries of the Charity are the pupils who

are educated at its four schools and who directly benefit from the Charity's work. The Governors regard the education of children as a benefit to society in general, not only through the expected role and contribution that its pupils will make to the communities in which they will live and work, but also through the financial assistance given to the State Education System which does not bear the cost of the education of the Foundation's pupils.

During the year ended 31st August 2020, Mill Hill School Enterprises continued to make available to the wider public, local maintained schools, local churches and community groups and other charitable organisations the use of the Foundation's buildings and facilities in support of the Foundation's objectives. It successfully expanded the range of opportunities for engagement with the local community, including providing residential facilities to Teens Unite (a local charity for young people), a football showcase event for talent scouts to find promising players and Middlesex Ladies Cricket's use of the Foundation's cricket facilities. The Foundation made available use of the fields and sporting facilities for Goodwyn School, St. Vincent's primary school, St. Paul's School and Church, The Nepali Language and Cultural centre, a pupil led initiative Rocket Planet Leadership Force and Help for Heroes. The Foundation enabled use of the meeting venues and halls for local community meetings, the Mill Hill Preservation Society anniversary tea, the BSA (Boarding Schools Association) and the SEA (Schools Enterprises Association). The swimming pool was used by Age UK and a local canoe club.

Camp Beaumont, our day camp providers, offers 10 bursary places per week to local primary school children and full time Foundation staff working throughout the holiday periods. All staff and parents of the Foundation qualify for a discounted rate.

During the lockdown due to COVID19 the schools provided on site education for children of key workers, also prepared meals for the NHS and made visors using 3D printers.

During the academic year many charities are supported across the Foundation through themed days and fundraising initiatives.

School and Other Partnerships

The Foundation Schools are publicising their partnerships and community work on the Schools Together website and can be justifiably proud of the number of exciting and meaningful initiatives being undertaken across the Foundation.

- Support for the London Academy of Excellence Tottenham continued in 2019/20, although activities were somewhat curtailed by the coronavirus pandemic. We did, however, appoint a Biology teacher who taught at LAET for the year. The Head of MHS sat on the LAET Board of Governors and is the lead Governor for Safeguarding and SEND. Overall, Mill Hill Foundation supports this partnership with funding of £50,000.
- The partnership with Copthall School continues to flourish with a successful bid for DfE funding being approved (Wellbeing Conference) and strengthening links between senior leaders focused on planning and delivering joint initiatives. Whilst the global pandemic has put conference planning on hold, we remain committed to working together for the benefit of our pupils, staff and the local community. A member of the Mill Hill School Senior Leadership Team sits on the Copthall Board of Governors.
- The CCF partnership with Mill Hill County School continued to develop, despite the challenges presented by the global pandemic. The Foundation also continues to support the

development of the Saracens High School in Colindale, which opened in 2015, with the appointment of the Deputy Head, Pastoral to the Board of Governors.

- Community links at Mill Hill School continue to grow with pupil involvement with the Saracens Rugby Club to support pupils with Autism and Year 10 Sports Leaders' involvement with the Panathlon Challenge movement, improving access to sport for disabled children. In addition, we have developed increasingly strong links with sports organisations and clubs, including Middlesex cricket, Saracens and Southgate Hockey Club.
- Along with the Sporting links Mill Hill School has with Middlesex CCC and Saracens RFC, we have now formalised/initiated official partnerships with Hampstead and Westminster (Hockey), Tottenham Hotspurs (Football) and London Irish RFC (Rugby). This just leaves one of our Core Sports (Netball), without a high-profile partnership. It goes without saying, that this will be a target for the Sports department over the next 12 months.
- The partnership with the Sunshine Coast Grammar School is now established with pupils from each School now travelling to and from Australia/London to experience life on the other side of the world, with a focus of developing their Sporting experiences. Clearly, Covid-19 has had an impact with three MHS pupils missing out on their planned trip this Summer.
- Mill Hill School opened its Peter Collinson Heritage Garden to members of the Mill Hill Preservation Society, who also held one of their regular meetings in the School.
- A number of teachers from the Foundation are governors at local state schools, including in Mill Hill, Haringey and Berkhamsted.
- The Mill Hill School Foundation also supports overseas educational development in schools in Zambia, Zimbabwe and India (Tamil Nadu) by providing financial assistance through fund-raising initiatives and voluntary outreach activity by pupils and staff.
- The Mount, Mill Hill International (MMHI) provides use of its grounds for St Vincent's Forest School. As part of Year 11 Community Service, pupils from MMHI assist with paired reading at St Vincent's on a weekly basis.
- MMHI pupils visit a local Care Home, Carlton Court, as part of the Wednesday Community Service.
- Once a week, there is a lunchtime Digital Learning club where, following lunch in the dining room, the MMHI pupils teach a group of older people how to use technology. This is in partnership with Age UK.
- Last year Grimsdell developed an informal partnership with St Vincent's Primary School in Mill Hill. We have offered and shared a range of services including training, facilities and experiences. We were in discussion with the Head and Chair of Governors about creating a memorandum of understanding, however this was put on hold when Covd-19 and lockdown hit.
- Grimsdell have always been involved in supporting the Good Neighbours Scheme by presenting them with performances from our choir and we have previously invited members of Age Concern to spend time with our pupils. Unfortunately, these activities are all on hold due to the risks posed by Covid-19.
- Belmont have built on the partnership with Saracens High and Belmont teachers have run performance poetry and art workshops for Saracens High Pupils.

The Foundation's facilities are let by Mill Hill School Enterprises free of charge or at reduced rates to local primary schools, the local scouts, brownies and guides associations, the MHPS, the local Church,

Teens Unite Fighting Cancer, and other community groups. Activities supported include IT training and Aqua Aerobics for the elderly in conjunction with Age UK. Mill Hill School pupils are actively involved in many of these public benefit activities including assisting in IT training for the elderly and providing an afternoon tea party for elderly residents in the Retail Trust Cottage Homes.

Bursaries and Scholarships

The Foundation actively promotes its public benefit profile locally and nationally. It is important to the Governors to support widened access by welcoming pupils from diverse ethnic, cultural, religious, socio-economic and non- traditional backgrounds and to provide bursaries, up to and including 100% fee remission, to assist those children who cannot be funded by their parents, families, guardians or other charitable sources.

Bursaries are subject to annual review and are means tested. During the 12-month period to August 2020, total bursary assistance of £ 1,091k (August 2019 - £1,203k) was awarded to 59 pupils (August 2019 - 66 pupils). Scholarship awards provide a remission on fees of up to 10% and may be supplemented by a means-tested bursary where further financial assistance is justified. During the year, Scholarships totaling £334k (August 2019 -£302k) were awarded to 213 pupils (August 2019 -197 pupils). Fifteen pupils (August 2019 - 13 pupils) were awarded a combination of scholarship and bursary assistance. During the period, the Foundation provided 100% fee remission to 37 pupils (August 2019 - 41).

In addition to the above, the Foundation awarded special Covid-19 Hardship Bursary to 51 pupils totaling £182K for the 2020 summer term.

In the twelve-month period to August 2020, total fee assistance from all sources, including external funding, was £3,553k (August 2019 - £1,814k). This represented 10.1% (August 2019 – 5.5%) of Gross Fee income and included the COVID discount for the summer term 2020.

COVID-19 Impact

The Global Covid 19 pandemic has impacted on the operations of the Foundation. The Government required schools to close their physical sites from 23rd March 2020 except for the provision for the children of key workers. During the period of closure the Foundation Schools provided remote learning for pupils through various different channels. During these unprecedented times the Foundation has had to be more agile and enhance the use of technology for all pupils and staff. The Schools remain flexible to respond to the need for remote & blended teaching as required.

The Foundation recognised the impact of the Covid 19 on the parents of pupils and demonstrated its support by discounting the summer term fees and also establishing a hardship fund. In addition non-essential spending was restricted during the summer term.

As part of the reopening programme detailed risk assessment have been undertaken and additional health and safety measures implemented. Ongoing assessments are in place with protocols for track and trace of contact when there is a positive Covid 19 test result.

The table below shows the financial impact of Covid in 2019/20

	£000s
Covid-19 fee discount - summer term 2020	(1,654)
Hardship bursary - summer term 2020	(182)
Examination fees waived	(136)
Summer school - estimated loss of revenue	(250)
Additional expenses - housekeeping / cleaning / safety materials	(43)
Additional expenses - Medical Centre and equipment	(25)
Mill Hill School Enterprises - estimated loss of revenue	(100)
Total cost	(2,390)
Grant received (Job Retention Scheme)	1,033
Net impact	(1,357)

Our Achievements in 2019 / 2020

There is very strong demand for places in at all the Foundation schools at all the key entry points. In 2020, an average of 1,620 pupils attended our four schools (2019: 1,565).

Inspection

The Foundation received its routine inspection from the Independent Schools Inspectorate in January 2020. This was a full inspection covering both Compliance and Education Quality. The compliance inspections gives the school a grade of "met" or "not met" for 8 compliance categories and the foundation was found to have met the required compliance standards in all eight categories. The educational quality inspection focuses on two key outcomes -

- The achievements of the pupils including their academic development, and
- The personal development of pupils.

All four schools in the Foundation were found to be excellent in relation to the personal development of pupils and Grimsdell, Belmont and MMHI were found to be excellent in relation to the achievements of the pupils including their academic development with MHS being judged as good. This is a very pleasing outcome and MHS is now working on a plan to move from good to excellent.

Mill Hill School

A Level and University Success

Value-added analysis indicates that the A Level cohort of 2020 performed fully in line with independent school expectations, with no sub-groups of pupils demonstrating a statistically significant negative residual (A*/A: 49%, A*/B: 77% with a % pass rate of 99.8%). We are, therefore, confident that pupils were well served by the School, despite the challenges presented by the coronavirus pandemic and the subsequent Centre Assessment Grade system for generating grades. Results

enabled a large proportion of this year's leavers to secure places at their Higher Education institution of choice in their chosen field of study. Amongst these were four pupils taking up places at Oxford. Overall, we saw a very broad range of disciplines across the Higher Education destinations, from the most traditional academic subjects through to courses such as Fashion or Robotics Engineering. This year pupils took up places in over 40 different UK institutions; a positive outcome in a challenging environment. Several pupils secured places in the USA, Europe and the Far East.

GCSE Success

We were pleased to see so many individual success stories in this year's GCSE results, not least because in addition to the excellent achievements at the top end of the grade range, there are many others which are about personal endeavour and determination. We continue to be proud of our broad academic range in both the Sixth Form and the Lower School, and of our ability to bring out the best in pupils across the ability spectrum. With 63.3% of grades at A*/A, or their numerical equivalents of 9 - 7, and 99.3% at A* to C (9 – 4), this year's cohort rose to the challenge with great success. We were delighted that 11 pupils achieved 9 or more passes at grades 9/8 (A*).

Other Academic Successes

Once again, the Design Technology Department celebrated continued success in prestigious external competitions, with a member of the Fifth Form (Y11) being awarded an Arkwright Engineering Scholarship. A large number of Sixth Form Scientists competed in national competitions for Biology, Chemistry and Physics, and pupils from all year-groups competed in national competitions for Mathematics and Chemistry. A Level Art students also took part in the national ARTiculation competition, with one pupil winning through to the regional finals in London. Upper Sixth Form Drama students entered the National Student Drama Festival, and pupils also took part in the VII Hispanic Theatre Festival, with one pupil awarded the prize for best actress. Pupils from the school again made good progress in the ESU Mace Challenge with our team acquitting themselves well against some very tough opposition. An Upper Sixth Music scholar progressed to the final of the strings competition in the BBC Young Musician of the Year.

Pupil Numbers

Mill School Hill is a school in high demand and this year we opened with 854 pupils. Boarding recruitment at the School has been strong, despite concerns that the pandemic might have a negative impact on numbers. Future recruitment is equally encouraging with the projected number of pupils coming from Belmont and local prep schools both increasing. Putting this into context, in recent years, the Mill Hill School has grown, on average, by 6% each year and 2019/20 and 2020 shows an even bigger increase (+18%). Fears about the girl: boy ratio being exacerbated by the increased intake have not materialised and we have, in fact, seen an increase from 31% girls in the school last year to 34% this year.

Marketing Initiatives - Home and Abroad

As in previous years, we have engaged in a wide range of marketing events and activities both in London and overseas with the objective of attracting pupils of a high calibre, international diversity in boarding and an increasingly even gender balance.

We continue to develop the transition processes between our own Prep school, Belmont, and the Senior School and to promote our Sixth Form to Year 11 pupils at the Mount Mill Hill International, with over 20 pupils making that transition this Autumn Term. Destinations for overseas recruitment

trips undertaken by Mill Hill School staff have included Kazakhstan, Kyrgyzstan, Turkey, Russia, Germany, Albania and the USA.

Closer to home, we ran successful cross-Foundation Open Mornings in October and November, promoting predominantly 13+ and 16+ entry for London-based families. With the country in lockdown in March, our April Open Morning was cancelled, with the website content being enriched to compensate, a precursor to this Autumn Term's highly successful Virtual Open Morning.

Staffing

In order to strengthen key areas of Mill Hill School's leadership and management structure and to place the School in the best possible position to deliver on the Foundation's strategic aims, the Senior Leadership Team was restructured to include a Foundation Head of Boarding and an Assistant Head (Staff Development and Wellbeing). The role of Examinations Officer - previously the substantive role of the Assistant Head (Academic Administration) - in line with other, similar, schools, becomes a non-teaching role from September 2021.

Three long-standing members of staff left the School during the year – two retiring and one moving onto an exciting new challenge in a fledgling school. Three NQTs successfully completed their induction in 2020 and two gained their PGCE qualification.

Pastoral Achievements

We were very happy to receive recognition of excellence in the ISI report for our pastoral provision. We trained a member of the teaching staff to deliver Mental Health First Aid Courses which will ensure that the whole staff aware of Mental Health First Aid and up to date with their training. A new behaviour strategy was implemented to support teachers effectively in maintaining standards of behaviour for learning in lessons. The mode of delivery of the PSHE curriculum was reviewed resulting in a closer alignment with the delivery of Physical Education. Pupils were supported through the challenges of the national lockdown via House staff, offering the highest standards of care, albeit remotely.

Co-curricular Achievements:

The Co-Curricular offer has increased substantially over the past academic year and has benefited from numerous developments. The redevelopment of the McClure Music School, which includes sound proofing the area, the addition of a state of the art recording studio and improvements to the aesthetics, is a notable improvement to the existing facilities. Sport has also benefitted from a new Sports Hall floor, installation of an electronic Basketball system, new indoor cricket nets, new scoreboard on Top Field and are now enjoying the freshly re-laid Astroturf.

There are many highlights over the Co-curricular programme for 2019/20, but the most notable have included Ellen BG's performance in the BBC Young Musician of the year, the Sports tours to Japan, Holland and Dubai and the keenly contested inter-house Drama competition. The School continues to be very proud of its Co-curricular offer, which was certainly well received by the ISI inspectors at the start of the academic year.

Estates Projects Completed

Developing our buildings is born of both aspiration and necessity as the School roll has continued to grow in recent years. There have been many changes and improvements to the Mill Hill School site in the past 12 months, mainly in the form of repurposing, redevelopment and refurbishment, such as continued development of the Sixth Form Centre, the Day and Boarding Houses and some new

classroom/office spaces. The redevelopment of the McClure Music School and the ongoing improvement to the sports facilities signal the School's intention to continue to maximise the Estate for the benefit of Mill Hill School pupils and members of the local community.

Belmont School

Pupil Numbers

At Belmont, despite the challenges posed by the global pandemic, demand for places continues to be strong, particularly at 11+. In September 2020 we had 553 pupils on roll.

The Arts

We have had great success in the Arts this year. The Year 8 Art scholarship nominees put on a fantastic exhibition of their work. Music has seen some wonderful individual and group performances. Drama continues to go from strength to strength and the highlight of the year has to be our Year 8 performance of Les Miserables; this year's performance was simply breath-taking.

We continue to improve our presence in the national prep schools' competition 'The Townsend Warner History Prize' with six pupils getting through to the final round. One pupil made the top 50 in the National SATIPS Prep School General Knowledge competition.

Sport

For the Autumn and Spring Term there were notable successes in rugby, hockey, football and netball. Our Under 12 Netball team were Regional Winners of IAPS Tournament and qualified for the Nationals and our Under 12 Eton Fives pair qualified for the National Finals but, sadly, both these finals were cancelled. Although our usual Sports Day could not happen, the PE team put together a fantastic virtual alternative. The Garden Games were a huge success and children and parents had a fantastic day participating in a variety of sporting activities and celebrating one another's success. Although we couldn't all be together we managed to create a sense of community and a feel-good factor.

New Sports Hall

We opened our new Sports Hall in January and although it has not had as much use as we'd like the children were very excited about the beautiful new space that includes basketball facilities, cricket nets, a wellbeing studio for yoga and fitness and a climbing wall. The Sports Hall will make a huge difference to the experience of Belmontians but also to the wider community. A local table tennis club and Middlesex Girls' Cricket Club already make regular use of this facility.

Grimsdell School

The creative curriculum at Grimsdell is now fully embedded as we are now at the beginning of a new cycle. Our theme- based approach continues to inspire children with meaningful and relevant experiences that enable the development of skills for learning and embed knowledge and understanding deeply in their long-term memory.

Music and Drama: Despite the restrictions Covid-19 has placed in this area of the curriculum we have continued to offer high quality provision which fulfils all the safety guidelines. Performances have been able to continue virtually and through the medium of film. Music was highlighted as an area of strength in our Reception report. LAMDA preparation was halted due to Covid-19 but has now resumed with examinations due to take place on 11th December.

Developments in our Literacy curriculum, particularly in relation to phonics, reading and handwriting have been implemented this year. We have a two-person English department now for KS1 and EYFS and this team is proving effective in implementing positive change to raise standards

Sport and PE at Grimsdell continues to be a central part of the children's lives, developing their physical literacy and their enjoyment of sport. Our events have been limited since Covid-19 but the addition of our stretch tent on the playground has enabled PE and sport to continue without compromising the curriculum – and indeed early signs suggest the tent is enhancing the PE provision.

This is the second year for 'The Cabin' and its use has increased extensively. Each Reception class spends a full day there per week and KS1 also make use of the space. Outdoor learning has found a new lease of life through our 4 stretch tents which have provided sheltered spaces for any lesson to take place outdoors. These were initially rented but we have now purchased them so they can provide ongoing outdoor learning opportunities, but also alleviate some of the space issues we have at Grimsdell in our small building.

Wellbeing: Mindfulness is now taught to all Year 2 pupils and we have introduced a Promoting Positive Behaviour Culture within the school through implementing a Growth Mindset Programme called 'Thrive in 5'. Thrive in 5 also invests in (and starts with) staff wellbeing. Our pastoral care structures have been enhanced by the appointment of an Assistant Head Pastoral who is now in her second year. We track all pupils and put in appropriate support interventions for them and their families. Family and parenting education are key areas of focus for us. We achieved the highest grading of 'excellent' in our ISI inspection report for the area of Personal Development.

The Mount, Mill Hill International

Academic Achievements

GCSE Results

MMHI celebrated its fifth year of excellent (I)GCSE results, with this year's cohort gaining 44.9% of 9-7; 69.1% Grades 9 – 6; 94.7% Grades 9 – 4. Individual subject successes in Mathematics, ESL and the three Sciences, in particular Physics.

2020-2021 Blended Learning and Digital Learning

In response to the pandemic, and the need to provide remote learning for pupils, MMHI accelerated its Digital Learning Strategy to accommodate for scenarios where some pupils might be physically present in class while others might need to join the classes online. With newly installed technology, all classes now at MMHI use blended teaching and learning. MMHI has become an iPad school. The school is also now largely paperless using e-books in the place of textbooks and OneNote in the place of exercise books.

Pastoral Achievement

MMHI implemented a new Positive Behaviour Policy which focused on restorative measures and de-escalation of disruptive behaviours rather than resorting to an over-reliance on detentions. There was a strong focus on community spirit and a significant amount of money was raised for the various charities proposed by the Student Council reps who came up with new initiatives which they ran by themselves, eg Christmas Candy Gram messages, Valentine's Day roses delivery.

Co-curricular achievements

The sign-up for co-curricular activities was more effective last year and a greater number of pupils attended more clubs and activities. Our most significant sporting achievement of the year was the contribution of MMHI pupils to Mill Hill School's successful basketball team, who won the area cup competition. The McClure Instrumental Competition saw eleven pupils from MMHI enter the various categories and had the winner in the post Grade 8 category.

2020-21 Admissions Statistics and marketing initiatives

COVID-19 has had significant impact on international pupil numbers across all schools globally. However, following a busy summer in the admissions department, the overall numbers have held at over 82% of the 2019-20 roll with 75 pupils in the 2020-21 cohort. There is an anticipated demand for pupils joining the school in January 2021 from Hong Kong citizens who have BN (O) status.

Communication during the pandemic has been the key to ensuring that parents are confident in sending their children abroad. There have been two successful virtual Open Mornings which were recorded and uploaded to the website. The admissions team have been in regular conversation with educational agents and where they once attended fairs abroad are now attending these online.

Due to the pandemic, Mill Hill Summer School was unable to run in the Summer 2020. In addition to the Mill Hill Summer School 2021, there will be Short Courses held for Easter 2022. There will be two types of course at Easter: language courses for external pupils with an academic English focus and an Easter revision course for pupils at MMHI.

Development Activity

In the last financial year until August 2020, the Development Office has fundraised a total of £60,095. The majority of these funds came from regular payments from long-standing supporters to the Foundation. There was one notable gift of £20,000 from a new parent donor. The Development Office continues to cultivate relationships with our regular supporters and there will be a number of stewardship activities going forward in order to retain this support. In addition to these figures, the Development Office is awaiting £15,500 in funds from Old Millhillians who have sadly been deceased in the last year, who have kindly left a gift in their Will to the Foundation.

The focus for development over the next year will be the launch of a new and exciting campaign to support the latest capital campaign at Mill Hill School and additionally smaller projects at Grimsdell, Belmont and MMHI alike. The Office continues to develop the database to ensure best practice and to further develop the relationship with the Old Millhillians Club with the view of a shared website and comms calendar. The Development team will continue working with teams across the Foundation in order to implement fundraising procedures, working with the charity representatives and Parent Associations at each school too to raise awareness and visibility.

Plans for the future

Initiatives for 2020/2021 include:

- Merger with Cobham Hall an independent girls boarding school in Kent
- A review and update to the Estates Master Plan in accordance with its Strategy
- Planning for replacement of the Science facilities at Mill Hill School
- Planning for an all-weather pitch for Belmont
- Redevelopment of the Patrick Troughton Theatre and refurbishment of the Large
- Enhancement of the sixth form centre to include an integrated pastoral, study and social space for the sixth form students

Equality Act

The Foundation complies with the Equality Act 2010 and is committed to providing equal opportunities in employment. The Foundation's policies seek to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Governors have engaged with employees regarding employee interest and key decision through regular staff written communications and annual employee listening meetings.

Enivronmental Impact

The foundation recognises the importance of environmental and climate risks and is committed to reducing where possible the impact of our operations and minimising our environmental impact. In order to support this the foundation has replaced outdated inefficient light fittings with more efficient LED lighting. Outdated boiler plant has been replaced with new more efficient boilers, pipe lagging has been added along with further insulation to buildings. When requiring replacement windows have been replaced with double glazed units and there is a pump replacement programme in place.

The foundation will continue to support the reduction of our impact in future years along with other initiatives as they are identified. Any further building and maintenance work will be undertaken to be as energy efficient as possible. For 2020/21 a tree management programme has been undertaking which includes planting additional appropriate trees

During the year ending August 2020 the foundation used 2,161 MWh of electricity and 6714 MWh of Gas. This resulted in associated Scope 1 and Scope 2 greenhouse gas emissions of 1,782 tCO2e and an intensity ratio of 22.2 m2 per tCO2e. This information was extracted from our current ESOS report prepared by an independent specialist who undertook a full site survey to identify energy usage and omissions.

Financial Review

The financial health of the Charity remained strong (see Reserves, Financial Resources and Liquidity). Total income for the Foundation for the 12-month period to 31 August 2020 amounted to £34,785k (2019 - £35,506k). The Foundation recorded a net income of £1,219k for the period (2019 - £4,695k). Capital expenditure during the year was £3,156k (2019 - £3,543k). As a result of the pandemic a discount was given on fees in the Summer term and a hardship find established to support families impacted by Covid 19. In additional non-essential expenditure was scaled back during this uncertain period. Mill Hill School Enterprises made a loss of £46k for 12-month period to 31 August 2020, (2019 - £75k surplus), this is due to Covid 19 restricting its activities during the summer and easter holidays and summer term.

As outlined in notes 8 and 9, the total staff related cost of the Foundation for the 12-month period to 31 August 2020 was £23,637K (2019 – £19,910k). The total staff cost includes teaching salary costs of £17,590k (2019 - £14,529k). The increase in staff cost was as a result of increase in the employer contribution rate of the Teachers' Pension Scheme (TPS) from 16.4% to 23.6% from September 2019, adoption of London Living Wage, 3% pay increment for all staff arising from the annual pay review, pay progression and the appointment of additional staff during the period. A review of pay and benefits of all staff at the Foundation is ongoing.

Remuneration Policy

Remuneration is covered by the Finance Committee and is delegated by the Court of Governors to determine on its behalf the pay and remuneration of the Executives (including the CEO, Heads, DFR and DO) and their Senior Management Teams. The Committee considers a number of additional factors including an individual's contribution to the activities of the Foundation as a whole, affordability and remuneration offered by charities of a similar activity, size and complexity.

The aims of the Remuneration Policy are to ensure:

- compliance with the Foundation's charitable purposes and the requirements of FRS 102,
- all employees of the Foundation are treated fairly and pay decisions are free from discrimination,
- From September 2019 the London Living Wage is paid to all Foundation employees, at least the minimum wage is paid to casual workers under the age of 21 years.
- the remuneration provided by the Foundation to its employees is balanced between paying its employees fairly and competitively in order to attract and retain the best people for the Foundation and the duty to ensure value for money through the careful management of charity funds,
- the Foundation manages its budget to effectively deliver its strategic development plans.

Key Performance Indicators

The Foundation assesses its success in the implementation and pursuit of its Charity strategy by the following key performance indicators:

- pupil numbers in the Schools
- the academic results
- the achievements of its pupils in all areas of educational development including sport, music and drama

The financial performance indicators include:

- pupil numbers
- net fees
- total income
- total expenditure
- and education and Foundation surpluses

During the course of 2020-21 we propose to develop other, significant new KPIs and measurements of performance to help Governors understand how the Foundation and its schools as a whole are performing, the direction of travel and if the objectives outlined in the strategy are being met.

Reserves, Financial Resources and Liquidity

As stated in Note 20 of the accounts, the funds of the Foundation are split between those available for day to day requirements of the Foundation, namely the Unrestricted Fund £35,659k (2019 - £32,921k) , those which are restricted of £449k (2019 - £2,002k) and the Permanent Endowment Fund £1,568k (2019 - £1,534k). Included in this balance is a Pension Provision for the year of £139K (2019 - £139K, see Note 11).

The Reserves Policy is to maintain financial resources sufficient to meet the Foundation's normal working capital requirements, as well as current and future capital expenditure obligations. These resources include a combination of:

The regular achievement, on an annual basis, of an acceptable level of positive internal generation of net operational cash flow, after operating expenses but to exclude a charge for depreciation;

- the availability of borrowings under one or more medium to long-term unsecured committed loan credit facilities; and
- to the extent feasible, the availability of further funds resulting from fundraising activities and initiatives which result in donations and contributions to the Foundation, in support of its educational objectives

Investment Policy

The Governors' current policy is to invest any surplus working capital funds in interest bearing deposits with a number of financial institutions, while maintaining sufficient financial resources to meet its normal operating and capital expenditure commitments. The Foundation Trusts hold equity income shares in the Charities Official Investment Fund ("COIF"). The Court of Governors consider COIF to be a most suitable investment vehicle for Foundation because of its investment philosophy and ethical investment policy, its broad range of funds providing diversification of risk, and its exclusivity to Charity, faith and local authority clients.

Risk Management

The Governors regularly assess political, financial and economic situations, the regulatory and legal framework, changes in social attitudes, and pupil and employee welfare in undertaking an annual review of the systems and procedures which are in place to manage risks. These are incorporated in the Foundation's "Risk Map". The management of risk is a routine part of the day-to-day operation and activities of the Foundation. The Executives regularly report to the Court of Governors both directly and through the relevant sub-committee on all matters concerning risk management, in particular risks arising from health and safety. As an independent fee-charging provider of education, whose pupil recruitment is both national and international, the Foundation is mindful of overall national and international economic conditions and recognises their potential impact on the Charity. Accordingly, consideration is regularly given to reviewing the overall national and global economic situation, including such factors as inflation and interest rates, foreign exchange rates and building industry costs. We assess, in particular, the financial and other risks associated with "Brexit" and the potential loss of charitable status which have been modelled as part of long-term financial planning.

Appropriate procedures are in place to assess and address identified risks. Health and Safety matters are co- ordinated through the Foundation Health and Safety Committee which reports to the Estates Committee. In addition, risk management controls relate to the areas of strategic planning, budget and management accounting, formal written policies, financial authorisation and approval procedures, and safeguarding procedures for the protection of children. The Foundation's policies in the academic, pastoral and extra-curricular areas for each of the schools are subject to periodic review.

Mill Hill School Enterprises operates in accordance with the Foundation's Risk Map and relevant policies. In addition, the Directors of Mill Hill School Enterprises assess identified trading risks to the Company. Enterprises has been severely impacted by Covid 19 restricting its ability to trade during the Spring and Summer terms.

Trust Funds

The following Trust Funds are separately registered charities:

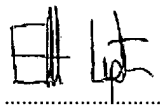
- Mill Hill School Scholarship and Bursaries Trust Charity number 1042028
- Mill Hill School University Entrance Scholarship Trust Charity number 1042031
- Mill Hill School Prizes Trust Charity number 1042030

The Trust Funds provide bursaries, financial assistance and prizes to the Foundation's pupils and former pupils. The total of such payments for 12-month period to August 2020 was £44k (2019 - £102k). The Accounts of the Trust Funds are consolidated into the financial statements of the Foundation.

Auditors

In accordance with Section 487(2) of the Companies Act, a resolution proposing the appointment of the Auditors will be put to the Annual General Meeting.

Approved by the Court of Governors on 23 March 2021 and signed on its behalf by, Mr Elliot Lipton, BSc (Hons), MBA, FRSA, FRICS, Chair of the Court of Governors.



.....

Mr Elliot Lipton

Chair of the Court of Governors

Date 23 March 2021

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Mill Hill School Foundation for the purposes of company law and are referred to as the Court of Governors) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MILL HILL SCHOOL FOUNDATION

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2020 and of the group's 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 requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

8 April 2020

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London, EC1M 7AD

The Mill Hill School Foundation

STATEMENT OF FINANCIAL ACTIVITIES
(including the income and expenditure statement)
for the year ended 31 August 2020

	Notes	Unrestricted funds £000s	Designated funds £000s	Restricted funds £000s	Endowment fund £000s	**Total 2020 £000s**	Total 2019 £000s
INCOME FROM:							
Charitable Activities							
School fees	3	31,995	-	(283)	-	**31,712**	31,480
Other educational income	4	1,409	-	-	-	**1,409**	1,635
Other income							
Other trading income	5	248	-	-	-	**248**	402
Other activities		-	-	-	-	**-**	991
Investments	6						
Investment Income		72	-	47	-	**119**	85
Voluntary sources	7						
Grants and donations		1,021	12	264	-	**1,297**	913
Total income and endowments		34,745	12	28	-	**34,785**	35,506
EXPENDITURE ON:							
Costs of raising funds	8						
Fundraising and development		46	-	-	-	**46**	167
Other trading costs		234	-	-	-	**234**	238
Interest and other costs		474	-	-	-	**474**	524
Charitable activities	8						
Education		32,801	20	25	-	**32,846**	29,980
Total expenditure	8	33,555	20	25	-	**33,600**	30,909
Net operating income/(expenditure)		1,190	(8)	3	-	**1,185**	4,597
Net gains on investments	14	-	-	-	34	**34**	98
Net income/(expenditure)		1,190	(8)	3	34	**1,219**	4,695
Transfer between funds	20	2,432	(876)	(1,556)	-	**-**	-
Net movement in funds		3,622	(884)	(1,553)	34	**1,219**	4,695
Fund balances brought forward		29,934	2,987	2,002	1,534	**36,457**	31,762
Fund balances carried forward	20, 21	33,556	2,103	449	1,568	**37,676**	36,457

The statement of financial activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The accompanying notes form part of these financial statements.

The Mill Hill School Foundation

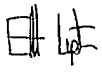
BALANCE SHEET

as at 31 August 2020

	Notes	2020 Group £000s	2019 Group £000s	2020 School £000s	2019 School £000s
FIXED ASSETS					
Tangible assets	13	**49,731**	47,586	**49,731**	47,586
Investments	14	**1,568**	1,534	**-**	-
		51,299	49,120	**49,731**	47,586
CURRENT ASSETS					
Stocks	15	**37**	56	**37**	56
Debtors	16	**620**	651	**581**	654
Cash at bank and in hand		**9,038**	13,366	**8,964**	13,180
		9,695	14,074	**9,582**	13,890
CREDITORS: Amounts falling due within one year	17	**(8,828)**	(11,130)	**(8,793)**	(11,068)
NET CURRENT ASSETS/(LIABILITIES)		**867**	2,944	**789**	2,822
TOTAL ASSETS LESS CURRENT LIABILITIES		**52,166**	52,064	**50,520**	50,408
CREDITORS: Amounts falling due after more than one year	18	**(14,351)**	(15,468)	**(14,351)**	(15,468)
Provisions for liabilities and charges	11	**(139)**	(139)	**(139)**	(139)
NET ASSETS		**37,676**	36,457	**36,030**	34,801
FUNDS					
Restricted funds	20	**449**	2,002	**420**	1,976
Unrestricted funds – general	20	**35,659**	32,921	**35,610**	32,825
Endowment fund	20	**1,568**	1,534	**-**	-
		37,676	36,457	**36,030**	34,801

The Foundation has taken the exemption under Companies Act 2006 s.408 to omit its profit and loss account from the statutory group accounts. The Total Incoming Resources for The Foundation during the year ended 31 August 2020 was £34,595k (2019: £35,249k) and Net Income during the year ended 31 August 2020 was £1,227k (2019: £4,695k).

Approved and authorised for issue by the Board of Governors on ....23 March 2021..... and signed on their behalf by:



Elliot Lipton
Chairman of the Board of Governors

The accompanying notes form part of these financial statements.
Company Number: 3404450

The Mill Hill School Foundation

CASHFLOW STATEMENT

for the year ended 31 August 2020

CASH FLOW STATEMENT	Notes	2020 £000s	2019 £000s
Net cash inflow from operating activities	27	(92)	8,126
Cash flows from investing activities:			
Bank interest received		72	39
Dividends received		47	46
Interest element of finance lease rental payments		(416)	(457)
Payments to acquire fixed assets		(3,156)	(3,543)
Net cash outflow from investing activities		(3,453)	(3,915)
Financing:			
Loans received		-	3,000
Loans repaid		(783)	(733)
Net cash outflow from financing activities		(783)	2,267
Increase/(decrease) in cash		(4,328)	6,478
Cash and cash equivalents at the beginning of the reporting period		13,366	6,888
Cash and cash equivalents at the end of the reporting period		9,038	13,366

The Mill Hill School Foundation

ACCOUNTING POLICIES

for the year ended 31 August 2020

1 ACCOUNTING POLICIES

The Mill Hill School Foundation is a charitable company limited by guarantee with registered number 3404450, incorporated and domiciled in England and Wales. Its registered office is Walker House , Milliers Close, The Ridgeway, Mill Hill, NW7 1AQ.

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

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 thousand pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The Group comprise The Mill Hill School Foundation, Mill Hill School Enterprises and three separately registered charitable trusts linked to The Mill Hill School Foundation. The assets, liabilities and results of the wholly owned subsidiary company, Mill Hill School Enterprises, are consolidated into these financial statements. Summarised details of the subsidiary company are set out in Note 25. There are three separately registered charitable trusts linked to Mill Hill School, the assets, liabilities and results of these trusts are consolidated into these financial statements. Summarised details of the charitable trusts are as described in Note 24. All activities as per Consolidated Statement of Financial Activities (SOFA) relate to continuing operations.

1.2 GOING CONCERN

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income, particularly in the light of the impact of the COVID-19 pandemic. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future.

As such the Foundation can expect to be able to meet its liabilities as they fall due in the period of at least 12 months from the date of approval of these accounts. However, there can be no certainty in relation to these matters.

On this basis the Governors have concluded that the Foundation is a going concern. The financial statements do not include any adjustments that would result from the Foundation not being able to meet its liabilities as they fall due.

1.3 COMPANY LIMITED BY GUARANTEE

The charitable company is limited by guarantee to the extent of £1 each from the guarantors at the present time, being the Governors of The Foundation.

1.4 FEES RECEIVABLE AND SIMILAR INCOME

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School.

1.5 DONATIONS AND FUND ACCOUNTING

Donations received for the general purposes of the school are included as unrestricted funds. Donations restricted by the wishes of the donor or the terms of an appeal are taken to restricted funds. Donations required to be retained as capital in accordance with the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

1.6 GRANT INCOME

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

1.7 EXPENDITURE

Expenditure is allocated to expense headings, which aggregate all costs relating to the category either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

All costs associated with the provision of education are allocated to Charitable Expenditure. Costs of generating funds relates to Mill Hill Enterprises.

Governance costs comprise the costs of running the Foundation, including strategic planning for its future development, external audit, and all other costs of complying with constitutional and statutory requirements.

1.8 TEACHING COSTS

Supplies of games equipment, books, stationery and sundry materials are written off when the expenditure is incurred.

1.9 FIXED ASSETS AND DEPRECIATION

All fixed assets are held to provide an on-going economic benefit to the Foundation through their contribution, directly or indirectly, to the provisions of goods or services by the Foundation. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date, with the exception of land and buildings.

Land was previously depreciated within Freehold Property as they are not separable from freehold property due to the historic nature of the site and lack of specific valuation to enable a split to be determined between land and freehold property elements. The Mount School freehold land, included in the Accounts at a cost of £33,500 is not depreciated. The Foundation changed its accounting estimate and no longer depreciates the buildings. Until the year ended 31 December 2015 buildings were depreciated at a rate ranging from 2% to 5% per annum. Whilst The Foundation acknowledges that there is wear and tear to the properties as they are in constant use, the investment that is being put back into the properties is considered to be more than enough to offset any wear and tear that would decrease the value of the buildings. This policy is reviewed each year and appropriate adjustments are made for any impairments during the year.

Assets that are expected to have a useful economic life of less than two years and/or cost less than £1,000 are not capitalised and are written off in the year of purchase unless they form part of a larger project.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Land and Freehold property	-not depreciated
Furniture and equipment	-3.3% - 33.3% p.a
Fixtures and fittings	-3.3% - 33.3% p.a
Vehicles	-20% p.a.

The cost of the freehold property does not include any capitalised interest on borrowing costs relating to specific projects as The Foundation chooses not to capitalise this. The Foundation has introduced a rolling policy of fixed assets verification. Necessary adjustments to the fixed asset values and depreciation charges have been carried out when any fixed asset has been disposed of, either during its expected useful life or after it has been fully depreciated. All assets of The Foundation are held for charitable use with the exception of those held by Mill Hill School Enterprises.

1.10 STOCKS

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

1.11 PENSIONS

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and Skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in the future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the income and expenditure account in the year.

The Foundation also pays contributions into a Group Personal Pension Scheme for Support staff. The Scheme is a defined contribution pension scheme. The assets of the Scheme are held separately from those of the School in an independently administered fund. The Pension Scheme charge represents contributions payable by the school in accordance with the rules of the Scheme.

The Foundation also pays contributions into a defined benefit pension scheme for teaching staff on the basis of contribution rates recommended by the Teachers Pensions Agency. As described in Note 11, this scheme is accounted for as a defined contribution scheme, using the exemption permitted in IAS 19 for multi-employer schemes.

1.12 LEASES AND HIRE PURCHASE CONTRACTS

Where assets are financed by finance leases and hire purchase agreements the assets are included in the Balance Sheet at cost less depreciation in accordance with the school's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the Statement of Financial Activities over the period of the lease in proportion to the balance of capital payments outstanding.

Rentals paid under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1.13 INVESTMENTS

Investments are valued in the balance sheet at their mid-market value at the balance sheet date. Investment management costs are accounted for as incidental costs of the acquisition or disposal where transaction-based, while investment income management costs are charged as expenditure out of the relevant income funds. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

1.14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.15 FINANCIAL INSTRUMENTS

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.16 ADVANCED FEE PAYMENT SCHEME

The Advanced Fee Payment Scheme commenced in the Autumn Term 2006. Under the Scheme parents enter into a contract to pay The Foundation a minimum of 4 Terms and a maximum of 42 Terms (14 years) tuition fees in advance. The discounts given with the Advanced Fee Payment Scheme are recognised on the Balance Sheet and will be written off over the life of the relevant advance payment. A portion of the Advanced Fee Payment may be returned under specific conditions (see note 18 for detail).

1.17 TAXATION

The Foundation is a registered charity and is exempt from taxation as afforded by Section 505 ICTA 1988.

1.18 EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when The Foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.19 FUNDS

The Foundation maintains four types of fund:

- Restricted: where the purpose for which the funds may be used have been restricted by donors.
- Unrestricted: where funds are for the use of the Governors for the general purposes of The Foundation.
- Endowed: an endowment fund to generate income for the three Trust Funds; the incoming resources from endowment funds are restricted.
- Designated: funds which have been allocated for a specific purpose by the Court of Governors.

See note 20 for details of in-year movements of funds.

2 KEY ESTIMATES & JUDGEMENTS

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

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

In the opinion of the Governors, the estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Useful economic lives

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. No depreciation is charged on the buildings, which constitutes a change in accounting policy as described in note 1.8. The trustees consider that investment in the properties is sufficient to offset any wear and tear that would decrease the value of the buildings. This policy will be reviewed each year and if there are indications that depreciation will no longer be immaterial or if there are any indications of impairments the policy will be changed. See note 13 for the carrying amount of the property, plant and equipment and note 1.8 for the useful economic lives for each class of asset.

Recoverable value of fee debtors

The Foundation makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 16 for the net carrying amount of the debtors and associated impairment provision.

Provisions have been made for property contracts, dilapidations, restructuring, post-employment benefits and customer redress. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

3 FEE INCOME

The School's activities are carried out within the UK.	**2020**	2019
The school's fee income comprised:	**£000s**	£000s
Gross fees	**35,222**	33,294
Less: Discounts	**(292)**	(309)
Less: Scholarships and bursaries	**(1,382)**	(1,505)
Less: Covid-19 Hardship bursaries	**(182)**	-
Less: Covid-19 Discount (Summer Term 2020)	**(1,654)**	-
	31,712	31,480

Included within scholarships and bursaries is an amount of £283k (2019: £378k) which relates to restricted bursaries.

4 OTHER EDUCATIONAL INCOME

	2020	2019
	£000s	£000s
Extras and disbursements	**514**	719
Registration fees	**225**	240
Fees in lieu of notice	**274**	172
School trips	**365**	504
Other income	**31**	-
	1,409	1,635

5 OTHER TRADING INCOME

	2020	2019
	£000s	£000s
Rent and lettings	**26**	41
Loss on sale of property	**(3)**	(2)
Enterprise company	**225**	363
	248	402

6 INVESTMENT INCOME

	2020	2019
	£000s	£000s
Interest receivable	**72**	39
Dividend income	**47**	46
	119	85

Included within the above is an amount of £47k (2019: £46k) which relates to restricted income.

7 DONATIONS AND GRANTS

	2020	2019
	£000s	£000s
Donations and grants	**264**	913
Furlough grant	**1,033**	-
Total	**1,297**	913

Included within the above is an amount of £264k (2019: £901k) which relates to restricted income.

8 EXPENDITURE

	Staff costs (note 9)	Other	Depreciation	**Total 2020**
	£000s	£000s	£000s	**£000s**
Teaching	17,590	1,684	-	**19,274**
Welfare	2,477	1,056	-	**3,533**
Premises and Estates	982	3,533	1,006	**5,521**
Administration	2,226	2,020	-	**4,246**
Finance	-	474	-	**474**
Trading costs	195	85	-	**280**
Governance	167	105	-	**272**
	23,637	8,957	1,006	**33,600**

Included within £33,648k is an amount of £25k (2019: £106k) relating to restricted expenditure.

	Staff costs	Other	Depreciation	Total 2019
	£000s	£000s	£000s	£000s
Teaching	14,529	2,035	-	16,564
Welfare and Catering	2,198	1,249	-	3,447
Premises	927	3,523	909	5,359
Administration	1,832	2,432	-	4,264
Finance	-	520	-	520
Trading costs	173	232	-	405
Governance	251	99	-	350
	19,910	10,090	909	30,909

Other Governance Costs include:	**2020**	2019
	£000s	£000s
Auditors' remuneration		
- Audit Fees	**38**	39
- Other Auditors remuneration	**9**	9
Legal and Professional Fees	**51**	45

8 EXPENDITURE (continued)

Administration, finance and trading costs include:	2020 £000s	2019 £000s
Salaries	1,927	1,692
National Insurance	179	157
Pension Costs	107	73
Redundancy Costs	13	31
Other Staff Costs	195	52
IT support	430	461
Postage and stationery	369	384
Telephones	111	145
Marketing and advertising	611	782
Miscellaneous - Administration	154	203
Bad debts	86	(152)
Legal and Professional Fees	132	279
Other Administration Costs	99	286
Bank charges and interest	28	44
Loan Interest	416	457
Other Finance	58	63
Other trading costs	85	232
	5,000	5,189

9 STAFF COSTS

	2020 £000s	2019 £000s
Wages and salaries	17,854	15,755
Redundancy and settlement costs	13	31
Social security costs	1,864	1,630
Other pension costs	2,888	1,786
Other staff costs	1,018	708
	23,637	19,910

The number of employees who received remuneration under redundancy and settlement costs were 3 (2019: 2)

The average monthly number of employees during the year was as follows:	2020 No.	2019 No.
Teaching	221	199
Non-teaching	277	261
	498	460

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:	2020 No.	2019 No.
£60,000 - £70,000	43	41
£70,001 - £80,000	17	9
£80,001 - £90,000	1	1
£90,001 - £100,000	1	2
£100,001 - £110,000	1	-
£110,001 - £120,000	1	2
£120,001 - £190,000	2	1
	66	56

Pension contributions for the year under money purchase amounted to £19k (2019: £18k) and pension contributions for the year under defined benefit schemes was £1,057k (2019: £608k) for the above employees.

Key management personnel include the CEO, Foundations' Headteachers and the Director of Finance and Operations. The total number of key management personnel receiving pay and benefits is 6 (2019: 5). The total pay and benefits received by key management personnel were £872k (2019: £778k).

10 GOVERNORS REMUNERATION AND BENEFITS

There were no Governors' remuneration for the year ended 31 August 2020 nor for the year period 31 August 2019. 7 Governors (2019: 9) were reimbursed travel expenses totalling £3k (2019: £2k).

11 PENSIONS

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 £2,558k (2019: £1,513k) and at the year end £nil (2019: £nil) was accrued in respect of contributions to this scheme.

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

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

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

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closes to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

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

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

In January 1993, a Money Purchase, Group Personal Pension Scheme for non-teaching staff was established. Initially, it was available to those who wished to join once a one year qualifying period had passed. In April 2002, this was reduced to a three month qualifying period. This reduction in qualifying period allowed The Foundation to be exempted from the requirement to provide a Stakeholder Pension Scheme as required by the Government. The total cost to The Foundation for the Group Personal Pension Scheme in 2020 was £327k (2019: £250k). Outstanding at the year end £nil (2019: £2k).

In addition, The Foundation has unfunded pension arrangements, which have been closed to new members since December 1978. In 2007, by exception a supplementary pension payment was established by the Court of Governors for one retiring member of staff. The unfunded pension obligations of these arrangements call for making annual payments to six retired members of staff (2019: six retired members of staff) which are charged against revenue in the year. Payments to pensioners in the year were £19k (2019: £19k) and a reduction in the value of the liability of £nil (2019: nil) has been recognised in the year. In the absence of a formal actuarial valuation of this scheme, a liability equivalent to the latest annuity purchase value has been recognised in the balance sheet at a value of £139k (2019: £139k).

12 NET INCOME FOR THE YEAR

	2020 £000s	2019 £000s
Net income is stated after charging:		
Depreciation of tangible fixed assets	**1,007**	908
Operating lease rentals – other	**230**	225
Auditor's remuneration		
Audit services for the school - current year	**38**	33
Audit services for the school - prior year underprovision	**3**	7
Audit services for the subsidiary	**6**	4
Non-audit services	**25**	7

13 TANGIBLE FIXED ASSETS

	Assets under Construction £000s	Freehold Property £000s	Fixtures, Fittings, Furniture, & Equipment £000s	Motor Vehicles £000s	**Total £000s**
Cost:					
At 1 September 2019	1,826	49,060	10,004	319	**61,209**
Additions	1,402	892	797	65	**3,156**
Disposals	-	-	(320)	(22)	**(342)**
Transfer	(3,228)	3,228	-	-	**-**
At 31 August 2020	-	53,180	10,481	362	**64,023**
Depreciation:					
At 1 September 2019	-	7,926	5,484	213	**13,623**
Charge for year	-	-	961	46	**1,007**
Disposals	-	-	(316)	(22)	**(338)**
At 31 August 2020	-	7,926	6,129	237	**14,292**
Net book value:					
At 31 August 2020	-	45,254	4,352	125	**49,731**
At 1 September 2019	1,826	41,134	4,520	106	**47,586**

Included within Fixtures & Fittings are gross assets of £10k and depreciation of £10k relating to Mill Hill Enterprises giving a nil Net Book Value on these Enterprise assets.

The cost of freehold property represents the historical value recorded in the books of The Foundation consisting of £15,450k, the value placed in 1872 on the land and buildings of the 1869 New Foundation, and the net cost of additions since that date. The council are of the opinion that the current value of the school's land and building is substantially in excess of the figure shown in the financial statements. The buildings have an insured value of £170,560k (2019: £140,344k).

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £41,622 (2019: £30,746) for the period.

	2020 £000s	2019 £000s
Motor Vehicles	**61**	102

14 INVESTMENTS

	Market value 2020 £000s	Market value 2019 £000s
Cost/valuation At 1 September 2019	**1,534**	1,436
Gains/(Losses) arising from movements in valuations	**34**	98
Cost/valuation At 31 August 2020	**1,568**	1,534

15 STOCK

	2020 £000s	2019 £000s
	37	56

16 DEBTORS

	2020 Group £000s	2019 Group £000s	2020 School £000s	2019 School £000s
Fees and extras	608	479	563	479
Less provision for doubtful debts	(452)	(366)	(452)	(366)
Other debtors	230	12	230	12
Prepayments and accrued income	234	526	234	517
Amount due from group undertaking	-	-	6	12
	620	651	581	654

17 CREDITORS

Amounts falling due within one year:

	2020 Group £000s	2019 Group £000s	2020 School £000s	2019 School £000s
Bank overdraft	-	-	-	-
Loans	850	817	850	817
Trade creditors	1,044	1,166	1,040	1,144
Taxation and social security costs	49	44	32	16
Fee Deposits	-	-	-	-
Fees received in advance and deposits	6,598	8,439	6,598	8,439
Other creditors	78	259	70	249
Accruals	184	377	177	374
Amounts payable under finance leases	26	29	26	29
	8,828	11,131	8,793	11,068

Deferred income:	2020 £000s	2019 £000s
Brought forwards	8,439	7,573
Released in year	(8,439)	(7,573)
Received in year	6,598	8,439
Carried forwards	6,598	8,439

Deferred income relates to schools fees received in advance for the following term.

18 CREDITORS DUE AFTER ONE YEAR

	2020 School & Group £000s	2019 School & Group £000s
Amounts falling due after more than one year:		
Bank loan	10,066	10,882
Amounts payable under finance leases	63	65
School fee deposits	3,364	3,282
Fees in advance	858	1,239
	14,351	15,468

	2020 £000s	2019 £000s
Movement on loans		
In one year or less	850	817
Between one and two years	884	850
Between two and five years	2,605	2,703
After five years	6,577	7,329
	10,916	11,699

	2020 £000s	2019 £000s
Movement on school fee deposits:		
In one year or less	1,832	1,411
Between one and two years	852	901
Between two and five years	1,287	1,341
After five years	1,225	1,040
	5,196	4,693

	2020 £000s	2019 £000s
Movement on fees in advance:		
In one year or less	4,766	7,028
Between one and two years	448	699
Between two and five years	395	478
After five years	15	62
	5,624	8,267

	2020 £000s	2019 £000s
Movement on finance leases:		
In one year or less	26	29
Between one and two years	63	65
Between two and five years	-	-
	89	94

The Foundation has two loan facilities with National Westminster Bank Plc of £2.5m and £6m. The loans are repayable in quarterly instalments of £69k and £102k per annum respectively. The maturity dates of the facilities are 16 October 2028 and 28 August 2034. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.25% on the first loan and a fixed rate of LIBOR + 2.25% on the second. The Foundation entered into an interest rate swap agreement on October 2013 at a rate of 3.48% on the first loan. The effective interest rate on this loan is 5.73%.

Interest charged in the year on amounts drawn totalled £108k and £149k (2019: £117k and £166k) and the balances outstanding at the balance sheet date were £1.79m and £5m respectively.

The Foundation has two loan facilities with Allied Irish Bank Plc of £4m and £3m. The £4m loan is repayable in quarterly instalments totalling £381k per annum. The maturity date of the facility is 31 December 2023. Interest on the amounts drawn is charged at a rate of 4.99% per annum. The £3m loan was taken out in the prior year and is repayable by quarterly instalments of £12.5k for the first 5 years and then increasing to £81k exclusive of interest. The maturity date of the facility is 31 October 2025. Interest on the amounts drawn is charged at a rate of LIBOR plus 2.5%.

Interest charged in the year on amounts drawn totalled £67k and £92k (2019: £83k and £91k) and the balance outstanding at the balance sheet date was £4.13m.

19 FINANCIAL INSTRUMENTS

	2020 Group £000s	2019 Group £000s	**2020 School £000s**	2019 School £000s
Financial assets measured at fair value through profit and loss	**1,568**	1,534	**-**	-
Carrying amount of financial assets				
Debt instruments at amortised cost	**284**	294	**295**	306
Carrying amount of financial liabilities				
Measured at amortised cost	**17,419**	13,869	**17,399**	13,832

20 STATEMENT OF FUNDS

	At 1 September 2019 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2020 £000s
Unrestricted funds:						
General reserve	29,934	34,745	(33,555)	2,432	-	33,556
Designated Fund	2,876	6	(10)	(876)	-	1,996
Designated fund (donations & fundraising)	111	6	(10)	-	-	107
	32,921	34,757	(33,575)	1,556	-	35,659
Restricted funds:						
Other Restricted Funds	257	139	(91)	(70)	-	235
Mill Hill Music School	500	-	-	(500)	-	-
Belmont gym	923	91	-	(1,014)	-	-
ABC Bursaries	322	81	(217)	28	-	214
Total restricted	2,002	311	(308)	(1,556)	-	449
Endowment fund	1,534	-	-	-	34	1,568
Total funds	36,457	35,068	(33,883)	-	34	37,676

Restricted funds

	At 1 September 2018 £000s	Income £000s	Expenditure £000s	Transfer Between Funds £000s	Gains/ (losses) £000s	At 31 August 2019 £000s
Unrestricted funds:						
General reserve	26,575	33,934	(30,676)	101	-	29,934
Designated fund - general	2,000	1,003	(127)	-	-	2,876
Designated fund (donations & fundraising)	111	-	-	-	-	111
Restricted funds:						
Restricted Other Funds	369	289	(300)	(101)	-	257
Mill Hill Music School	500	-	-	-	-	500
Belmont gym	501	422	-	-	-	923
ABC Bursaries	270	236	(184)			322
Total restricted	1,640	947	(484)	(101)	-	2,002
Endowment fund	1,436	-	-	-	98	1,534
Total funds	31,762	35,884	(31,287)	-	98	36,457

Fund Details

The following is a summary of the origins and purposes of each of the Funds

Endowment Funds - Permanent:

The Scholarships, Prizes and University Trust Funds comprise three separate Trusts established by way of donations to provide financial assistance to The Foundation's pupils and former pupils.

Restricted Funds:

The Restricted Funds are represented by cash of £449k and investments of £1,568 within the Endowment Fund in 2020 (2019: cash £2,002k and investments £1,534k).

Trust Funds consist of:

Mill Hill School Scholarships & Bursaries Trust: The Trust was created by a Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, for Scholarships & Bursaries at Mill Hill School.

Mill Hill School University Entrance Scholarship Trust: The Trust was created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for the leaving Scholarships from Mill Hill School for entrance to British Universities.

Mill Hill School Prizes Trust: The Trust was by created by Declaration of Trust dated 19 March 1994 with the purpose of holding the Trust Fund and its income, on trust to apply the income for prize awards to pupils at Mill Hill School to recognise merit shown by the pupils in the academic, artistic or technical performance or in the development of character.

ABC Bursaries Fund: A Better Chance (ABC) Bursaries Fund supports bursary students at Belmont and Mill Hill School. Development offices coordinates various fundraising campaign amongst Old Millhillians, Old Belmontian and parent body in support of the fund.

Belmont Gym Fund: During December 2017 the sports hall at Belmont school was damaged by fire. Included within the restricted income is £91k (2019: designated income of £991k relating to insurance monies received) used to construct the new building. The school undertook fundraising to match the funding which has been shown as restricted funds. The gym completed in the year.

Mill Hill Music School Fund: This fund represents donation income received in the prior year for the purpose of refurbishing the Mill Hill School music block. The refurbishment was completed in the 19/20 academic year.

Unrestricted Funds

Designated fund (donations & fundraising) was established in 2007 from fundraising activities to support The Mill Hill School Foundation's educational and business development plan. New designated fund was established in 2017 to provide for the planned capital expenditure and unforeseen events such as fire and flood. The Foundation commissioned a detailed survey of its Estate in 2017, the survey has recommended a 10 years repairs and maintenance program costing over £7700k. The General reserve £30,123k value at August 2020, £30,069 relates to The Foundation (2019: £29,838k) and £54k relates to Mill Hill School Enterprises (2019: £96k).

The transfer of funds represent the completion of specific projects.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	**2020 Total £000s**
Tangible fixed assets	49,731	-	-	**49,731**
Investments	-	-	1,568	**1,568**
Current assets	9,246	449	-	**9,695**
Current liabilities	(8,828)	-	-	**(8,828)**
Long term liabilities	(14,490)	-	-	**(14,490)**
Total net assets	35,659	449	1,568	**37,676**

	Unrestricted funds £000s	Restricted funds £000s	Endowment fund £000s	2019 Total £000s
Tangible fixed assets	47,586	-	-	47,586
Investments	-	-	1,534	1,534
Current assets	12,072	2,002	-	14,074
Current liabilities	(11,130)	-	-	(11,130)
Long term liabilities	(15,607)	-	-	(15,607)
Total net assets	32,921	2,002	1,534	36,457

22 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2020, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 Plant & Machinery £000s	**2020 Other £000s**	2019 Plant & Machinery £000s	2019 Other £000s
Due within one year	**259**	**19**	211	19
Due between one to two years	**239**	**3**	198	13
Due between two to five years	**190**	**-**	266	3
Due after more than five years	**-**	**-**	-	-
	688	**22**	675	35

23 RELATED PARTIES

In 2020 Gardiner and Theobald LLP provided servces in relation to the new Belmont Gym. D Dickinson Esq, a Governor and Trustee of The Foundation, is a retired Partner of Gardiner & Theobald LLP. During the year the total payment made was £35k (2019: £98k), of which £35k (2019: £63K) relates to services provided to Belmont Gym Project. During the year, The Mill Hill School Foundation incurred recruitment costs of £44k (2019: £37k) from RS Academics, a company at which R Burdell, a Trustee of The Foundation, is the Head of Finance and Marketing Appointments. The Mill Hill School Foundation used the services of Quod Ltd, a company which E Lipton has business dealings with, in relation to the planning of the sports hall. During the year, total payment made was £8k. There were no other related party transactions.

24 TRUST FUNDS

Mill Hill School Scholarships and Bursaries Trust
Mill Hill School University Entrance Scholarship Trust
Mill Hill School Prizes Trust

The combined results for the above Trust Funds for the period ended 31 August 2020 are:

	2020 £000s	2019 £000s
Net assets at 1 September 2020	**1,685**	1,644
Income	**47**	46
Expenditure	**(44)**	(102)
Excess expenditure over income	**3**	(56)
Purchase of investments	**-**	-
Unrealised gains on investments	**34**	97
Net Assets at 31 August 2020	**1,722**	1,685

The Trust Funds provide financial assistance to The Foundation pupils and to former pupils during their period at university. The total of such payments in 2020 for pupils in the school was £44k (2019: £102k).

Further information may be obtained from the Director of Finance and Operations at its registered address, which is The Mill Hill School Foundation, Walker House, Millers Close, The Ridgeway, Mill Hill, London, NW7 1AQ.

25 CONTROLLED ENTITY

Mill Hill School Enterprises is a company limited by guarantee and is controlled by The Mill Hill Foundation which is a company registered in England and Wales, number 1690525. Its results, adjusted for consolidation with The Foundation's accounts, for the year ending 31 August 2020 and the year ending 31 August 2019 are detailed as follows:

	2020 £000s	2019 £000s
Income	225	363
Expenditure	(233)	(238)
Rent paid to The Mill Hill School Foundation	(38)	(50)
Excess of income over expenditure*	(46)	75
Assets	89	170
Liabilities	(40)	(74)
Net assets at year end	49	96

*an annual rental of £37.5k (2019: £50k), salary and pension £37k (2019: £38k), catering and cleaning £nil (2019: £14k), heat and light £4k (2019: £4k) insurance £nil (2019: £nil), repairs & maintenance £nil (2019: £nil), telephone £1k (2019: £1k) was paid to The Foundation. The year-end surplus (excess of income over expenditure) of Mill Hill School Enterprises for 2020 is £nil (2019: £75k). The year-end surplus (if any) is distributed to The Mill Hill School Foundation under the gift aid scheme, however the surplus for 2019 (£75k) was not distributed to the Foundation to mitigate the impact of loss of revenue due to the Covid-19 pandemic.

26 CAPITAL COMMITMENTS

Capital expenditure authorised and contracted at 31 August 2020 totalled £nil (2019: £1.2m). The Foundation has to make significant ongoing investments to maintain its historical buildings and grounds. An independent survey commissioned by The Foundation in 2017 recommended a total investment of £7.7 million in capital expenditure over the 10 year period.

27 NOTES TO THE CASHFLOW STATEMENT

Reconciliation of operating result to net cash inflow from operating activities	2020 £ £000s	2019 £ £000s
Net movement in funds	1,219	4,695
Gains on investments	(34)	(98)
Depreciation	1,007	908
Investment income	(72)	(39)
Dividends received	(47)	(46)
Loan interest	416	457
Increase/(decrease) in pension provision	-	-
Profit/(Loss) on sale of Fixed Assets	4	2
Increase/(Decrease) in creditors	(2,635)	2,442
(Increase)/Decrease in debtors	31	(206)
Decrease/(Increase) in stocks	19	11
	(92)	8,126

27 NOTES TO THE CASHFLOW STATEMENT (continued)

Analysis of changes in net debt

	At 1 September 2019 £000s	Cash flows £000s	Other non-cash changes £000s	At 31 August 2020 £000s
Cash and cash equivalents				
Cash	13,366	(4,328)	-	9,038
Overdrafts	-	-	-	-
Cash Equivalents	-	-	-	-
	13,366	**(4,328)**	**-**	**9,038**
Borrowings				
Debt due within one year	-	-	(850)	(850)
Debt due after one year	-	783	850	1,633
	-	**783**	-	**783**
Total	**13,366**	**(3,545)**	**-**	**9,821**

28 POST BALANCE SHEET EVENTS

After the year end, the Foundation will enter into a charity merger agreement with Cobham Hall School, which operates under charity number 313650. Under the terms of the Merger Deed, all the assets and liabilities of Cobham Hall will be transferred to the Foundation at nil cost, and the School will be run by the Foundation. One of the Trustees of Cobham Hall will join the Court. Future accounts will be consolidated to include Cobham Hall School.