

Registered number: 5884126
Charity number: 1117998

MOUNT ST MARY'S

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

MOUNT ST MARY'S

(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020

Trustees

Father A Porter SJ (Appointed Interim Chairman August 2020, Resigned October 2021)¹
Mrs N Adams (Appointed October 2021)
Reverend M Beattie SJ¹
Mrs J M Bolton
Mr M Burrowes
Mrs S Clarkson (Appointed September 2019)
Father S Ellis¹
Dr R Field (Resigned July 2020)
Mr M Killick, Co-opted member (Resigned August 2020)
Mr G Leverett (Appointed October 2021)
Mr I Murphy
Mr J Norton (Appointed October 2021)
Dr H Philips, Chair (Resigned July 2020)
Mr J Phinn
Mr G Shaw
Mr Hardip Singh (Appointed September 2019)
Professor M J M Staub (Resigned October 2021)
Mr T Wragg (Appointed September 2019)
Mr M Wilson (Appointed October 2021)

¹ Foundation Members

Company registered number	05884126
Charity registered number	1117998
Registered office	Mount St Mary's Spinkhill Derbyshire S21 3YL
Company secretary	Ian Ford, FCCA
Senior management team	Mr G Chapman, CEO of the Mount Trust (Appointed 1 April 2020) Dr N Cuddihy B.Rel.Sc.Msc.Ed.D, Headmaster (Resigned 31 August 2020) Mrs K Keaton BMusc (Hons), PGCE, Head of Barlborough Mrs A Monga BSc. MSc. NPQH, Head of Mount St Mary's (Appointed 6 January 2020 fixed term contract until August 2021) Mr D Wright M.A. (Hons) (St And) M. Ed (Cantab) PGCE, Headmaster (Appointed August 2021) Ian Ford, Bursar

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditor	BHP LLP Chartered Accountants 2 Rutland Park Sheffield S10 2PD
Bankers	National Westminster Bank Plc 5 Market Place Chesterfield Derbyshire S40 1TY
Solicitors	Keebles LLB Commercial House 14 Commercial Street Sheffield S1 2AT
Investment adviser	Rathbones 159 New Bond Street London W1S 2UD
Land agents	Youngs RPS 80-81 High Street Nortballerton North Yorkshire DL7 8EG

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Governing Body, who are the Trustees, present their annual report and the audited financial statements of Mount St Mary's for the year ended 31 August 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: 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 published in October 2019.

The School's Objectives

Charitable objectives

The charity's objects, as set out in the Articles of Association, are to advance the Roman Catholic religion by the conduct of a Roman Catholic school or schools, and by ancillary religious and educational activities for the benefit of the community at large.

Statement of values

Mount St Mary's College and its Prep School, Barlborough Hall School, is a day/boarding school for pupils from the ages of 3 to 18, whose principal activity is the education and pastoral care of its students. It aims to support children in reaching their potential in all areas of their activity at the school, and in the wider community. This may be in academic subjects but could just as easily be reflected in success in art, drama, sport or music. Our principal aim is to provide a first class Jesuit education in the two schools. We aim to produce 'well rounded' individuals who are able to make a positive contribution to society by offering pupils and staff a vision of education that has a global perspective, through the international network of Jesuit schools, and a consistent focus on individual needs and gifts; collectively encompassed and identified as 'Men and women for others'.

To ensure the School fulfils those aims it will:

- provide a stimulating learning environment in which pupils can develop their academic potential to the full;
- provide a happy and secure pastoral environment in which pupils can learn to live together and thus foster a sense of community, respect for one other and good citizenship;
- allow our pupils to be proud to have belonged to a Jesuit school community with developed respect for its values and those who taught them;
- provide pupils with the opportunity to take advantage of a breadth of co-curricular activities, including a Combined Cadet Force, in order to develop positively all aspects of their character;
- provide pupils with the opportunity to take decisions based on their own judgement and to communicate those decisions appropriately and effectively;
- allow pupils to deepen their understanding of who Christ is and the ability to live out their faith more fully;
- provide financial support, via a Bursary programme, to enable children whose parents are unable to afford the full fees to benefit from a Mount education; and
- have ensured that on eventually leaving the School that the 'Mount Spirit' remains with them for life

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

Objectives for the year

The following objectives were set for the 2019/2020 academic year:

- to build on the already high academic standards;
- to continue to improve the school's facilities through a capital investment programme, collectively known as Mount 400;
- to provide a clear pastoral structure in which every child is known;
- to create an environment in which all students have responsibility for others' welfare and in which older students have clear pastoral leadership responsibilities;
- to develop the extra-curricular programme;
- to review and reform the timings, working and structure of the school week;
- to encourage students to show leadership in a variety of ways; and
- to review and rationalise our management and administrative structures.

Strategies to achieve objectives

The School's strategies for achieving its objectives were:

- to review the school structure to give greater clarity in terms of hierarchy, role and communication lines. This will be linked with the introduction of role profiles for every position;
- to develop the school office into a data / management information centre to support the effective leadership and administration of the school;
- to continue to review the academic curriculum to ensure it is both broad and challenging;
- to review the school day to create a more focussed timetable with a sharper focus and faster pace to the day allowing for good quality interventions and a range of enrichment activities for years 7-10;
- to prepare for the introduction of critical maps and the underpinning critical content;
- to discard the use of attainment grades and for clarity to use only Target, Effort and Predicted grades;
- to build a new 6th Form study centre and common room and to refresh / upgrade the MSM and BHS reception areas as the next phase in the Mount 400 development programme; funded through the disposal of non-essential elements of the School estate; and
- to introduce the Examen into the everyday life of the whole school.

Review of the year's achievements and performance

The principal activity of the School is the delivery of education to pupils ranging from 3 to 18 years of age. We also operate camps for children during the holiday periods under the auspices of Mount Conferences Limited. The school saw a slight reduction in student numbers which is a trend we will be hoping to reverse over the course of the year.

	2019/2020	2018/2019
Senior School	344	353
Junior School	171	176
Nursery	24	24
Total	<u>539</u>	<u>553</u>

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

In addition to these numbers, the senior school has a number of pupils from overseas who stay, as boarders, for a duration of one or two terms.

Exceptional and unplanned achievement

The well laid plans for both 2019/20 and future academic years ended in March 2020 with the lockdown of the country due to Covid-19. Daunting as this was it also showed the true 'Mount Spirit' with major changes and new working practices taken on-board by the staff. The negative impacts of Covid-19 are highlighted in many of the following sections of the Annual report and can be very clearly seen in the financial statements, however positives drawn from the situation include:

- over 25 key worker children were educated daily throughout the first national lock-down;
- a remote learning programme was created, and over 4,000 lessons, covering all subjects, were taught through the summer term;
- a full sport and pastoral programme continued to be delivered alongside the academic lessons;
- GCSE and A Level results were the best achieved in the last 3 years;
- major building works were completed, as soon as government lock-down measures allowed;
- senior management, while continuing to work, took voluntary pay cuts in line with those staff on furlough;
- internal and external communications taken to new levels during lock down;
- the enforced absence of pupils and visitors enabled an extensive decoration programme to be undertaken;
- Covid secure operational and working practices created and brought into place;
- video footage created, and held six Open Days virtually and thereafter maintained a full admission programme;
- summer camp run (1,100 children days) through July and August and a Rugby and Hockey camp, each hosting 36 children over a five day period; and
- opened our athletics track, the only one open locally, to enable both our own and elite athletes to maintain their training programmes.

While the individual impacts of Covid-19 and the associated government restrictions continue to be felt throughout the School, both pupils and staff have adapted positively to the ever evolving new-norms.

Academic results

The School offers a broad curriculum and educates children with a wide range of ability, witnessed by a highly successful SEN programme.

While the examinations programme was severely impacted by Covid-19 related restrictions, the results from the teacher lead assessments were particularly pleasing and saw the continued trend of improving GCSE and A-level results.

GCSE Results:

Year	Grades 7-9	Grades 5-9	Grades 4-9	Grades 1-9
2020	40%	77%	91%	100%
2019	22%	55%	73%	97%

A-Level Results:

Year	A* - A	A* - B	A* - C	A* - E
2020	43%	71%	94%	100%
2019	23%	56%	79%	100%

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Barlborough Hall School

In May 2020, there were no external SAT's examinations due to Covid-19 however the expected grades for the children were above average in both Key Stage One and Two. Our small group sizes, expert tuition and individual support ensure that every individual redefines their own potential.

As previously noted the Schools aim to offer far more than a strong academic performance. Particular importance is placed on pastoral care, support and guidance for all pupils while offering a broad range of sporting, musical and artistic opportunities.

Other achievements during the year

University admissions

Thirty-six Rhetoricians (Year 13) left Mount St Mary's College in Summer 2020. Four of these went to overseas universities while sixteen students (44% of the cohort) were accepted at Russell Group universities, making this one of our most successful years in this regard. This included one student who was accepted at King's College, Cambridge (Engineering) and another student at Keble College, Oxford (Physics).

This cohort had a particularly strong profile in the sciences but our students went on to study a range of subjects including Modern Languages, Politics, History, Law, Computer Science and a range of courses in Business/ Management/ Accounting. One student successfully applied to Drama School.

Covid-19 brought a particular set of challenges for students awaiting confirmation of their university places on A level results day. Some students whose Centre Assessed Grades had been downgraded by the Ofqual algorithm lost out on a conditional offer as a result of this. Many of these offers were then subsequently reinstated once the Government reviewed its position on A level grades. This was an exceptionally stressful time for students at Mount St Mary's and indeed across the country; we worked hard to provide pastoral support as well as practical and academic guidance. A number of Rhetoricians chose to apply post-A level rather than go to university this year. The school is continuing to support and advise them on their applications.

Value added

The average value score from both Rhetoric and Syntax (Year 11) were up (with the actual scores standing at -0.1 and +0.63 respectively) which is excellent news and the best that the school has achieved in the last three years. There are still areas for additional focus and we will be working on these during the current academic year.

Music

The music department delivered a comprehensive programme throughout the year including during the summer term when both schools were in lockdown. During the latter, 187 online lessons were delivered per week. In addition the department continued to deliver online events including a chamber choir concert.

Overall a very positive year in which new and effective ways of working and teaching have been developed to ensure that all students can access the wealth of experience in the music department and achieve their best.

Sport

Pupils continue to achieve well in sport, with over 50% of the pupils regularly representing the school in sports teams. While numerous students have represented the sports of: Hockey, Netball, Cricket, Swimming, and Rugby, at regional and county level with some going on to National level.

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Through the Covid-19 pandemic period the sports department have been able to run a full range of sporting activities, including both a Hockey and Rugby camp, while always complying with the appropriate sporting governing bodies guidelines.

Drama

The Drama department delivered all timetabled drama lessons every week, with the department's GCSE and A Level uptake continuing to grow year on year (numbers are up 500% over the past 4 years).

Drama GCSE and A-Level results continue to be some of the highest in the school, with positive value added, 100% of A Level pupils achieving grades B+ and 73% of GCSE pupils achieving 7+.

Subsequently, despite being a largely practical and collaborative subject, all drama lessons continued to be delivered throughout lockdown, along with two virtual theatre trips organised for, and attended by, the school community.

This year also saw the introduction of the Gold Arts Award in Higher Line, which students completed with a 100% pass rate. This award joins the bronze and silver which are already being successfully run in lower and middle school. In 2020-21, the entire year group of Upper Elements will have the opportunity to be entered for the bronze award.

In the first term of the year, pre Covid-19, over 50 pupils took part in the rehearsals and performance of the whole school pantomime 'Dick Whittington', performed in the Mount theatre over two nights, to audiences of over 200 per night.

Combined Cadet Force (CCF) and outdoor education

Following the extension of CCF to Year 9 students there are currently over 175 Cadets within the Army and RAF sections at Mount St Mary's College which is a significant boost on historic numbers; with 41 of the cadets on the Bronze level D of E. The Cadets have also benefitted from the introduction of the new school day which allows for an increase in weekly training time.

The Army and RAF sections actively encourage Leadership skills and team building qualities amongst their Cadets. The training and discipline associated with this has helped to build a strong NCO team of Senior Cadets who work closely with the CCF staff to run a successful Contingent.

Independent Schools Inspectorate (ISI)

The School passed the ISI inspection on 28 November 2019.

Both schools met the standards in all areas, with the areas under review including:

- Quality of education provided
- Spiritual moral and cultural
- Welfare health and safety
- Suitability of supply staff
- Premises and accommodation
- Core provision of information
- Complaint handling
- Quality of leadership and management

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Improving facilities

Mount 400 moved into its second phase which saw the completion of the major new Sixth form study centre and common room together with supporting meeting rooms and offices; these works were dovetailed into the continuing programme of refurbishing and upgrading of classrooms at Mount St Mary's. While at Barlborough the car park was completely redesigned and extended to improve the ease of drop-off and pick-up for the growing numbers of pupils while improving the safety and well-being of all concerned.

Plans for future years

The key objectives of the Governing Body's strategic plan are outlined below, however those are all encapsulated in the overarching plan, Mount 400, which sees the largest ever investment in the redevelopment and upgrading of the whole site, which compliments the planned changes and improvements to the academic programme and educational standards. Mount 400 is intended to build on the already strong brand and ensure a business model is created which enables the educational aspirations of the School to be met. Key to its success will be:

- academic excellence – continuing to exceed expectations;
- active engagement in Sport, Music, Adventure, including the CCF;
- develop existing markets and broaden marketing base to grow pupil numbers;
- attracting and retaining the best quality of teaching and support staff;
- develop stronger links with Jesuit communities and schools throughout the world;
- continued refinement and extension of the Mount 400 Plan; and
- continued reduction in overall cost base.

While the objectives for next year remain as outlined above the impact of Covid-19 on the School, the local, national and international economies and overseas markets has had a severe impact on the finances of the School (as indeed it has on all independent boarding schools) and therefore far greater emphasis is being placed on growing the pupil base across both schools.

Public benefit objectives

In the provision of its charitable objectives Mount St Mary's seeks to meet the public benefit requirements of the Charity Commission. In setting objectives the Governing Body have also given careful consideration to the Charity Commission's general guidance on public benefit.

The Governing Body are committed to the Jesuit ideals set out in the Mount St Mary's Mission Statement, at the heart of which is the formation of well-educated men and women of conscience and compassion who will be at the service of others. Mount St Mary's aims furthermore to support and promote the apostolic works of the Society of Jesus in Britain.

Mount St Mary's continues to provide access to young people who would otherwise be excluded due to the level of fees and means tested bursaries are awarded each year. The School is inclusive, outward looking and welcoming to all, locally, regionally, nationally and internationally, with currently pupils coming from 12 different countries.

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TRUSTEES' REPORT (continued) *FOR THE YEAR ENDED 31 AUGUST 2020*

Bursaries

The Governing Body view bursary awards as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education we offer. Our bursary awards are available to all who meet our entry requirements and are made solely on the basis of parental means or to relieve hardship where a pupil's education and future prospects would otherwise be at risk, for example in the case of redundancy. In assessing means we use the methodology promulgated by the ISBA. Our school does not have an endowment and in funding our awards we have to be mindful that we must ensure a balance between fee-paying parents, many of whom make considerable personal sacrifices to fund their child's education, and those benefiting from the awards.

The bursary awards have in the past, in exceptional circumstances, ranged up to 100% remission of fees. Information about fee assistance through bursaries is provided to all who ask. All awards are reviewed on a periodic basis.

This year the value of means tested bursaries totalled £518,568 (2019: £497,002).

Scholarships

The purpose of our scholarship awards is to recognise high academic, musical or sporting potential or the ability to excel in our co-curricular activities. Where further assistance is required, scholarship awards may be supplemented by a means tested bursary.

The school awarded scholarships this year totalling £614,127 (2019: £574,090).

The progress of pupils receiving scholarships is reviewed at least annually to ensure their progress is in line with their abilities. No scholarships were withdrawn in the year as a result of these reviews.

Community action/outreach

Students, drawn from across the senior school, also take part in the Annual Diocesan Pilgrimage to Lourdes, a site of Catholic pilgrimage for the sick, supporting the disabled and ill of the Hallam Diocese in Sheffield.

At Barlborough Hall School, regular visits from pupils and staff of other Jesuit schools both in UK and across the world help to strengthen our links with the wider community. This included attending the annual 'Jesuit Ignite conference', joining children from all other Jesuit Schools in England and Scotland.

Through fundraising, organised by the pupils, the College has supported the Jesuit Missions around the world and also the Jesuit Refugee Services, who work with vulnerable and displaced persons both in the UK and overseas. The College has also provided support to the St Wilfred's Centre, a shelter for the homeless in Sheffield, as well as running fundraising initiatives for other local and national charities.

Barlborough support three local charities – Pathways Homeless Charity, Assist Refugee Service and the Barlborough Luncheon Club.

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Contribution to local community and schools

Mount St Mary's enjoys a long standing relationship with the village of Spinkhill and provides significant benefits to the local community. Our grounds are shared by the people of the villages of Spinkhill and Barlborough and the wider locality. The facilities in both schools are enjoyed by many local groups and individuals. The School makes a point of involving our neighbours in the many special events, cultural programmes and activities that take place throughout the year, including:

- offering Mass each Sunday, which is accessed by a number of local residents;
- the Mount Community Choir which, pre-Covid-19, met weekly in the College and performed at school functions, is comprised of some 30 adults drawn from the local community;
- the College's Annual Remembrance Day Services engage the local community and are an important component of the village calendar, but sadly was a much smaller and low-key event this year;
- a variety of events which are open to local schools including an annual children's theatre event, regular swim galas and sports days held at our sports stadium, again limited to pre-lockdown events this year;
- it is hoped that in the fullness of time the fortnightly, Tuesday Club trips which take students to work with adults with learning difficulties in Derby can recommence.

The school is actively engaged with the network of local schools. Those links with the local maintained sector have been further enhanced with the School's active involvement in the Diocese of Hallam Schools.

We are particularly close to our neighbours in Immaculate Conception Catholic Primary School, Spinkhill with whom we enjoy a very positive relationship, including support and assistance in the areas of sport, the teaching of languages and music. This is in addition to providing access to our swimming pool and sports facilities.

Fundraising

At present the Schools do not actively fundraise. However £4,907 (2019: £8,613) was received in donations and legacies from Old Mountaineers (past pupils). The Mount Charitable Fund also provided donations of £355,000 (2019: £73,450) to support pupils through the provision of means tested bursaries.

Financial review

The Governing Body having reviewed the detailed income and expenditure plans and the related cashflow requirements for the coming years and are satisfied that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

The Governing Body, under the guidance of the Finance and Strategy Committee, took the decision to have the School revalued, recognising that it had been some years since such an exercise had been undertaken and during that time period there have been significant changes in the country (Brexit and Covid to name but two), in the independent Schools sector, and in the make-up and composition of the School's estate.

The trend of year-on-year significant reductions in the operating deficit was abruptly halted this year as a result of Covid-19 impacting on the financial operations of the School; this, together with the impact of the revaluation resulted in a reported Net movement in Funds as a deficit of £3,847,533 (2019: deficit of £412,970).

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

However, this Net movement in Funds includes a valuation adjustment comprising an impairment charge of £3,673,321 which reflects the recently revalued estate of Mount St Mary's School and an increase in valuation of £1,073,181 which reflects the recently revalued estate of Barlborough Hall School. Stripping out the effects of the revaluations of property and investments results in an operating deficit of £1,223,365 (2019: £408,914), which reflects the impact of Covid-19 on the School's finances – see table below.

The negative financial impacts of Covid-19 and its associated governmental restriction is included; net fee income falling to £5,830,009 (2019: £6,879,850) reflecting a reduction in short term boarders and, more significantly, discounts of up to 50% offered to pupils in the Summer term, as a result of the schools closing and despite providing a comprehensive remote learning package. Total income fell to £7,165,976 (2019: £7,585,826) a decrease of £419,850 reflecting both the fee income reduction and a fall in other trading activity. This decline was however partially offset by increased funding for bursaries received from the Mount Charitable Fund, and £534,716 Furlough receipts from the Government.

Expenditure increased by just under 5% to £8,389,341 (2019: £7,994,740) an increase of £394,601 which reflects the ongoing control of expenditure. Staff costs remain the single largest expenditure item, accounting for £5,548,374 (2019: £5,137,515) a £410,859 increase over the previous year, with contributory factors being an increase in teaching and welfare staff (6), and the significant impact of the increased contributions to the Teachers' Pension Scheme.

The trading company results were significantly impacted by Covid-19 being unable to hire out the School's facilities particularly during the holiday periods which represents its busiest and most profitable time. This resulted in Mount Conferences Ltd sustaining losses of £134,394 (2019: surplus of £1,738).

The total net financial impact of Covid -19 is summarised below:

	£000s
Covid relates discounts	643
Lost fee income, including short term boarders and term time lets	340
Mount Conferences Ltd – lost letting income	362
Reduced expenditure in Mount Conferences Limited and School	(83)
Furlough receipts	(535)
Total cost of Covid	727

The underlying results for the year, excluding Covid-19 and the revaluation reveals an operating deficit of £496,365 (2019: Deficit £408,914).

Term borrowing is in place with the Society of Jesus (TRCP) to the sum of £3,387,088 (2019: £3,204,598). This borrowing is secured against the land/building assets of the Trust. During the course of the year the option to take out a loan under the government backed Coronavirus Business Interruption Loan Scheme (CBILS) was exercised, with £660,000 drawn down via the National Westminster Bank. A £250,000 loan has been taken with Rathbones, secured against the investment portfolio managed by them.

Capital expenditure of £615,263 (2019: £505,223) continued the trend of increasing year-on-year spend with investment arising from the completion of Phase II of the Mount 400 project.

Reserves policy

The School has substantial unrestricted reserves, comprising buildings, land and liquid investments of £5,890,110 (2019: £9,737,643) and restricted funds of £76,081 (2019: £76,081). While free reserves are at a negative balance, this to a large extent reflects the continued heavy investment in the School.

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

The Governors will be reviewing the reserves policy in the coming 12 months as an integral part of the formal planning process linked to; the revaluation of the estate, the Mount 400 development plan and, as importantly, to reflect the changed financial dynamics as a result of Covid-19.

Investment performance

The company's Articles of Association permit funds to be invested in such manner as the Governing Body sees fit, providing that such powers of investment are only exercised for the purpose of attaining the objects and in a manner that is legally charitable. Rathbone provide the necessary specialist advice in respect of the portfolio of invested funds. Following the year's activities the value of the listed investments stood at £1,223,141 (2019: £1,434,012).

Key drivers for the Governing Body are a low risk level and ease of access to funds. As a result no specific performance benchmarks are set but actual performance is monitored to previous years; with a yield this year of 3.44% compared to 4.22% in 2018-19 being regarded as satisfactory considering the turmoil that has hit all economies in 2019-20.

Going concern

Notwithstanding that the group had an underlying operating deficit in the year, and it is acknowledged that as a result of Covid, a further deficit will result next year, ended 31 August 2021, the trustees have considered the level of funds held, and the expected level of income and expenditure for the next 12 months from the date of approval of this report, to 30 November 2022, and have concluded that the group remains a going concern. As a result they will continue to adopt a going concern basis for the preparation for these financial statements.

The reasons for adopting a going concern basis include:

The trustees recognise that uncertainty exists regarding any final travel restrictions, but note there are already small but significant instances of a more normal/pre-Covid view returning. This is translating into new boarders coming to the School. When coupled with the significant work that is being undertaken in the international market place, in which the School has been the first to undertake physical trips abroad, there is every reason to be optimistic. At home there have been more tangible results where virtual and actual open days coupled with a significant marketing programme has generated more interest and more confirmed places for the 2022/23 academic year than has ever been the case at this point in time in previous years.

Throughout the pandemic the Trustees for Roman Catholic Purposes (TRCP) have been hugely supportive to the School particularly in a financial sense, where they have provided a loan repayment holiday through until November 2022 on the existing loan of £3,387,088. They have also been supportive and flexible in allowing the sale of property and land and in utilising those sale proceeds for ongoing capital development works.

The School performed very well academically during Covid-19 and with the appointment of a new dynamic Headmaster, whose focus is purely on the educational and pastoral side of the Mount, this success is forecast to continue. In combination this has led to a positive upturn in both pupil numbers and retention rates.

Given the above and with the continued financial controls in place, coupled with a return of the commercial lets, this has led to the trustees to conclude that the group remains a going concern.

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Governance and management

Group structure and relationships

The School has a wholly owned non-charitable subsidiary, Mount Conferences Ltd. It undertakes commercial activities that do not conflict with the educational and religious character of the schools. Its annual profits are donated to the School under the Gift Aid scheme.

Through membership of Head Masters Conference (HMC), Association of Governing Bodies of Independent Schools (AGBIS), Independent Association of Preparatory Schools (IAPS) and the Independent Schools Bursars Association (ISBA) and associated networking with peer groups, the School ensures that it has access to key personnel and standard setters in the sector.

The School is regulated through its membership of Independent Schools Inspectorate (ISI).

Constitution

Mount St Mary's is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The Company is governed by Articles of Association as incorporated under the Memorandum of Association on 21 July 2006. They permit funds to be managed in such a manner as the directors see fit, provided that such powers are only exercised for the purposes of attaining the objects and in a manner which is legally charitable. The principal object for which the charity was established is to advance the Roman Catholic religion by the conduct of a Roman Catholic school or schools and by ancillary religious and educational activities for the benefit of the community at large.

The Governing Body consists of 3 Foundation Members appointed by the Society of Jesus Trustee and a further 9 to 13 governors, appointed by the Foundation Members, at their Annual General Meeting. The governors are the charity trustees and thus have control of the charity and its property and funds.

The Governing Body is responsible for the overall management and control of the School and meets at least once a term. Its principal responsibilities are to:

- ensure that the school is run in accordance with its charitable objectives and that all the functions of the school are authorised by the powers provided by its statutes and regulations and by charity law;
- act in the best interests of the School and current and future beneficiaries at all times;
- appoint the CEO and Head Teachers and approve their terms and conditions;
- in consultation with the CEO and his management team, set the strategy and policies by which the School will be run;
- approve the Strategic Plan;
- ensure that the School meets the objectives that the Governing Body sets from time to time;
- control finance by approving realistic budgets and longer term plans and by approving systems and safeguards that optimise the chances that they will be achieved;
- ensure the effective and efficient administration of the School and its resources, striving for best practice in good governance;
- ensure that the School is compliant with appropriate statutory and advisory regulations and aims for best practice in this area;
- understand the extent of duties in relation to risk management and to legal compliance and be satisfied that there is a rolling programme for meeting them;
- ensure that competent professional advice is taken when necessary;
- appoint new governors, having due regard for the skill sets and experience required;

MOUNT ST MARY'S

(A company limited by guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2020

- appoint members to its committees; and
- review and approve the terms of reference and the output of these committees.

The governors who served during the year are detailed at the front of this document. None of the governors has any beneficial interest in the charitable company, all are volunteers providing their time for free to support the governance of the School.

Methods of appointment or election of trustees

All governors apart from the Foundation Members, are recruited on the basis of nominations from school contacts and from selection when a post becomes available. The Governing Body looks to ensure a mix of skills and selects new governors on the basis of background, competence and specialist skills.

Organisational structure and decision-making policies

The School is governed by the Governing Body which delegates work to the following committees, who meet at least once per term:

Finance and Strategy Committee

Education Committee

HR and Compliance Committee

The day to day management of the company is delegated to the CEO, the Head teachers of Mount St Mary's and Barlborough Hall Schools, the Bursar, Head of Admissions and Marketing and Head of HR as the Key Management personnel overseeing educational, pastoral and administrative functions in consultation with the senior staff.

Key management personnel

The CEO and Key Management personnel are invited to attend all Governors' meetings, with the CEO and appropriate other Key Management personnel attending all Committee meetings.

Pay policy for key management personnel

The remuneration of key management personnel is recommended by the HR and Compliance Committee and approved by the Governing Body with the objective of rewarding them appropriately and fairly for their individual contributions to the School's success.

The appropriateness and fairness of the School's wider remuneration policy is reviewed annually, including reference to comparisons with other independent schools to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Policies adopted for the induction and training of Governors

Governors are provided with an induction by the CEO, Bursar and staff and a wider programme of training events is organised by AGBIS, which Governors are encouraged to attend.

Trustees' indemnities

The charity holds trustees' and officers' insurance on behalf of the Governors.

MOUNT ST MARY'S

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Principal risks and risk management

The Governing Body is responsible for the identification and management of risks. The major risks to which the charity is exposed, as identified by the CEO and the Key Management personnel, have been fully reviewed during 2019/20 and systems or procedures have been/are being established to manage those risks. Detailed examination of the risks and establishment of controls to mitigate them is delegated to the CEO and his Executive Team and the process is overseen by the respective Committees at every one of their meetings and by the Governing Body with its annual review of the Risk Register.

The principal risks to which the School is exposed to include:

- Impacts of Covid-19 on the School, including:
 - positive tests on pupils and staff
 - self-isolation of pupils and staff
 - quarantine and travel restrictions
 - impacts on pupil numbers, both recruitment and retention, and parents ability to pay
 - overarching financial pressures as a result of the above;
- loss of key personnel;
- poor academic results;
- Health and Safety issues through non-compliance;
- child safeguarding and protection; and
- a lack of funds and liquidity to meet future cash and capital commitments.

The key controls used by the school include:

- formal agendas and minutes for all meetings of the Governing Body and Committees;
- Terms of Reference for all Committees;
- comprehensive strategic and business planning, financial forecasting, budgeting and management accounting;
- established and identifiable organisational structures and reporting lines;
- comprehensive formal written policies;
- clear authorisation limits; and
- vetting procedures, as required by law, for protection of the vulnerable.

The School develops strategic plans, having regard for risk. The Executive provide the Governing Body with regular reports to ensure that effective governance can be provided and evidenced.

The Governors have assessed the major risks to which the Group and the charity are exposed, in particular those related to the operations and finances of the Group and the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

MOUNT ST MARY'S

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2020**

Statement of trustees' responsibilities

The trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, BHP LLP, who was appointed during the year, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees and signed on their behalf by:



Mr T Wragg
(Chair of Finance and Strategy Committee)

Date: 12/11/21

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOUNT ST MARY'S

Opinion

We have audited the financial statements of Mount St Mary's (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

MOUNT ST MARY'S
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOUNT ST MARY'S (CONTINUED)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report..

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; 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.

MOUNT ST MARY'S
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MOUNT ST MARY'S (CONTINUED)

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's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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.

BHP LLP

Jane Marshall (Nov 15, 2021 17:22 GMT)

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants

Statutory Auditor

2 Rutland Park

Sheffield

S10 2PD

Date: Nov 15, 2021

MOUNT ST MARY'S
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	4,907	355,000	359,907	82,063
Charitable activities	4	5,830,009	-	5,830,009	6,879,850
Other trading activities	5	238,164	-	238,164	481,066
Investments	6	101,789	-	101,789	113,083
Other income	7	636,107	-	636,107	29,764
Total income		6,810,976	355,000	7,165,976	7,585,826
Expenditure on:					
Raising funds	8	457,736	-	457,736	490,985
Charitable activities:	9				
Charitable activities - ongoing		7,581,605	350,000	7,931,605	7,503,755
Charitable activities - impairment		3,673,321	-	3,673,321	-
Total expenditure		11,712,662	350,000	12,062,662	7,994,740
Net gains/(losses) on investments	15	(24,028)	-	(24,028)	(4,056)
Net (expenditure)/income		(4,925,714)	5,000	(4,920,714)	(412,970)
Transfers between funds	20	5,000	(5,000)	-	-
Net movement in funds before other recognised gains		(4,920,714)	-	(4,920,714)	(412,970)
Other recognised gains:					
Gains on revaluation of fixed assets	14	1,073,181	-	1,073,181	-
Net movement in funds		(3,847,533)	-	(3,847,533)	(412,970)
Reconciliation of funds:					
Total funds brought forward		9,737,643	76,081	9,813,724	10,226,694
Net movement in funds		(3,847,533)	-	(3,847,533)	(412,970)
Total funds carried forward		5,890,110	76,081	5,966,191	9,813,724

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

MOUNT ST MARY'S**(A company limited by guarantee)**REGISTERED NUMBER: 05884126

CONSOLIDATED BALANCE SHEET*AS AT 31 AUGUST 2020*

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	9,932,556	12,512,469
Investments	15	1,301,585	1,462,861
		<u>11,234,141</u>	<u>13,975,330</u>
Current assets			
Stocks	16	42,766	58,784
Debtors	17	395,366	607,127
Cash at bank and in hand		452,143	521,480
		<u>890,275</u>	<u>1,187,391</u>
Creditors: amounts falling due within one year	18	(1,544,052)	(1,969,225)
Net current liabilities		<u>(653,777)</u>	<u>(781,834)</u>
Total assets less current liabilities		<u>10,580,364</u>	<u>13,193,496</u>
Creditors: amounts falling due after more than one year	19	(4,614,173)	(3,379,772)
Total net assets		<u><u>5,966,191</u></u>	<u><u>9,813,724</u></u>
Charity funds			
Restricted funds	20	76,081	76,081
Unrestricted funds (including revaluation reserve £324,603 (2019: £383,490))	20	5,890,110	9,737,643
Total funds		<u><u>5,966,191</u></u>	<u><u>9,813,724</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

**Mr T Wragg**(Chair of Finance and Strategy Committee)

MOUNT ST MARY'S

(A company limited by guarantee)

REGISTERED NUMBER: 05884126

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

Date: 12 November 2021

The notes on pages 26 to 53 form part of these financial statements.

MOUNT ST MARY'S
(A company limited by guarantee)
REGISTERED NUMBER: 05884126

CHARITY BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	9,918,544	12,493,845
Investments	15	1,301,587	1,462,863
		<u>11,220,131</u>	<u>13,956,708</u>
Current assets			
Stocks	16	8,930	9,649
Debtors	17	361,785	699,028
Cash at bank and in hand		425,477	429,995
		<u>796,192</u>	<u>1,138,672</u>
Creditors: amounts falling due within one year	18	(1,528,463)	(1,905,626)
Net current liabilities		<u>(732,271)</u>	<u>(766,954)</u>
Total assets less current liabilities		<u>10,487,860</u>	<u>13,189,754</u>
Creditors: amounts falling due after more than one year	19	(4,614,173)	(3,379,772)
Total net assets		<u><u>5,873,687</u></u>	<u><u>9,809,982</u></u>
Charity funds			
Restricted funds	20	76,081	76,081
Unrestricted funds (including revaluation reserve £324,603 (2019: £383,490))	20	5,797,606	9,733,901
Total funds		<u><u>5,873,687</u></u>	<u><u>9,809,982</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:



Mr T Wragg
(Chair of Finance and Strategy Committee)

MOUNT ST MARY'S
(A company limited by guarantee)
REGISTERED NUMBER: 05884126

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

Date: 12 November 2021

The notes on pages 26 to 53 form part of these financial statements.

MOUNT ST MARY'S
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	23	(777,554)	(355,852)
Cash flows from investing activities			
Dividends, interests and rents from investments		101,789	113,083
Proceeds from the sale of tangible fixed assets		187,355	12,834
Purchase of tangible fixed assets		(615,263)	(505,223)
Proceeds from sale of investments		294,125	144,083
Purchase of investments		(107,282)	(114,465)
Net cash used in investing activities		(139,276)	(349,688)
Cash flows from financing activities			
Cash inflows from new borrowing		910,000	235,000
Repayments of borrowing		(12,912)	(468,659)
Net cash provided by/(used in) financing activities		897,088	(233,659)
Change in cash and cash equivalents in the year		(19,742)	(939,199)
Cash and cash equivalents at the beginning of the year		538,035	1,477,234
Cash and cash equivalents at the end of the year	24	518,293	538,035

The notes on pages 26 to 53 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Mount St Mary's meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Going concern

Notwithstanding that the group had an underlying operating deficit in the year, and it is acknowledged that as a result of Covid, a further deficit will result next year, ended 31 August 2021, the trustees have considered the level of funds held, and the expected level of income and expenditure for the next 12 months from the date of approval of this report, to 30 November 2022, and have concluded that the group remains a going concern. As a result they will continue to adopt a going concern basis for the preparation for these financial statements.

The reasons for adopting a going concern basis include:

The trustees recognise that uncertainty exists regarding any final travel restrictions, but note there are already small but significant instances of a more normal/pre-Covid view returning. This is translating into new boarders coming to the School. When coupled with the significant work that is being undertaken in the international market place, in which the School has been the first to undertake physical trips abroad, there is every reason to be optimistic. At home there have been more tangible results where virtual and actual open days coupled with a significant marketing programme has generated more interest and more confirmed places for the 2022/23 academic year than has ever been the case at this point in time in previous years.

Throughout the pandemic the Trustees for Roman Catholic Purposes (TRCP) have been hugely supportive to the School particularly in a financial sense, where they have provided a loan repayment holiday through until November 2022 on the existing loan of £3,387,088. They have also been supportive and flexible in allowing the sale of property and land and in utilising those sale proceeds for ongoing capital development works.

The School performed very well academically during Covid-19 and with the appointment of a new dynamic Headmaster, whose focus is purely on the educational and pastoral side of the Mount, this success is forecast to continue. In combination this has led to a positive upturn in both pupil numbers and retention rates.

Given the above and with the continued financial controls in place, coupled with a return of the commercial

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.2 Going concern (continued)

lets, this has led to the trustees to conclude that the group remains a going concern.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Other income includes grant income received from the Government to cover the salaries of furloughed employees through the Coronavirus Job Retention Scheme.

Certain types of income are shown in the Consolidated statement of financial activities net of expenditure as follows:

Income from charitable activities is shown in the Consolidated statement of financial activities net of fee remissions (£2,121,600) and agency costs (£54,871). These are analysed in note 4 - income from charitable activities.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

1.5 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a straight line and reducing balance basis..

Depreciation is provided on the following basis:

Freehold property	-	2% straight line.
Plant and machinery	-	20% reducing balance.
Motor vehicles	-	25% reducing balance.
Fixtures and fittings	-	20% reducing balance.
Computer equipment	-	25% reducing balance.

The charity holds assets relating to Barlborough Hall School and park, which are Grade I and Grade II listed respectively. The hall was built as a private residence in 1583-4 since when it has been subject to alterations and additions with the principal outbuildings erected in the mid 17th century. Since 1939 the buildings have been adapted and extended for use of educational purposes. These properties had previously been classified as heritage assets, however they have been reclassified as tangible fixed assets from the current year, as discussed in note 1.18.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation (continued)

The valuation is based upon a survey done by property consultants Lambert Smith Hampton on 31 July 2005 for its existing use and market values. In the opinion of the Governors' there has been no change to this valuation.

1.7 Investments

Investments are included at their market value at the Balance sheet date. Unrealised gains and losses arising on revaluation of investments are credited or charged to the Statement of financial activities.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Financial instruments

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

1.13 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.14 Pensions

The charity operates a defined contribution pension scheme for its non-teaching staff. Contributions payable to the pension scheme are charged to the Statement of financial activities in the period to which they relate.

The charity contributes to the Teachers Superannuation scheme, which is a defined benefit scheme. Contributions are charged in the Statement of financial activities so as to spread the cost of the pension over the employees working lives with the schools.

The charity participates in the Teacher's Pension Scheme (TPS) which is a defined benefit scheme. The assets of the scheme are held separately from those of the trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the government actuary on a basis of quadrennial valuations using a prospective unit credit method. As stated in note 28 the TPS is a multi-employer scheme and the trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reliable basis. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

A group money purchase scheme (defined contribution scheme) is open to all for non-teaching staff members. Minimum contributions of 3% are matched by the trust.

The trust also operates a workplace pension scheme with Nest pensions to meet its auto-enrolment responsibilities.

All contributions are charged to the Statement of financial activities as they become payable in accordance with the rules of the schemes.

1.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

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

1.16 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.17 Redundancy and termination payments

Redundancy benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises redundancy benefits when it is committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

1.18 Prior year reclassification

The charity holds assets relating to Barlborough Hall School and park, which are Grade I and Grade II listed respectively. The assets were classified as heritage assets, however they have been reclassified as tangible fixed assets from the current year, as mentioned in note 1.6.

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	4,907	355,000	359,907	82,063
Total 2019	8,613	73,450	82,063	

4. Income from charitable activities

	2020 £	2019 £
Gross fee income	7,656,480	8,392,648
Deduct: fee remissions	(2,121,600)	(1,492,358)
Agency costs	(54,871)	(90,440)
Bursaries paid by restricted funds	350,000	70,000
	5,830,009	6,879,850

In both years, all income from charitable activities was unrestricted.

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5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Mount Conferences Limited turnover	238,164	238,164	481,066
	<hr/>	<hr/>	<hr/>
Total 2019	481,066	481,066	
	<hr/>	<hr/>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rents received	52,182	52,182	46,602
Dividends and interest	49,514	49,514	65,836
Deposit account interest	93	93	645
	<hr/>	<hr/>	<hr/>
	101,789	101,789	113,083
	<hr/>	<hr/>	<hr/>
Total 2019	113,083	113,083	
	<hr/>	<hr/>	

MOUNT ST MARY'S
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other income	16,289	16,289	29,764
Furlough grant	534,716	534,716	-
Profit on disposal of tangible fixed assets	85,102	85,102	-
	<u>636,107</u>	<u>636,107</u>	<u>29,764</u>
Total 2019	<u>29,764</u>	<u>29,764</u>	

8. Cost of raising funds

	2020 £	2019 £
Investment management costs	9,705	11,657
<i>Mount Conferences Limited expenditure</i>		
Staff costs	298,990	266,101
Depreciation	4,367	4,713
Other costs	144,674	208,514
	<u>457,736</u>	<u>490,985</u>

In both years all costs of raising funds were unrestricted.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	3,943,256	350,000	4,293,256	3,819,239
Welfare	711,133	-	711,133	776,118
Premises	5,019,026	-	5,019,026	1,392,058
Support costs of schooling	1,581,511	-	1,581,511	1,516,340
Total 2020	11,254,926	350,000	11,604,926	7,503,755
Total 2019	7,430,305	73,450	7,503,755	

Summary by expenditure type

	Staff costs 2020 £	Depreciation & impairment 2020 £	Other costs 2020 £	Total funds 2020 £	Total funds 2019 £
Teaching	3,613,726	-	679,530	4,293,256	3,819,239
Welfare	534,642	-	176,491	711,133	776,118
Premises	236,426	4,016,642	765,958	5,019,026	1,392,058
Support costs of schooling	864,590	49,427	667,494	1,581,511	1,516,340
	5,249,384	4,066,069	2,289,473	11,604,926	7,503,755
Total 2019	4,871,414	391,980	2,240,361	7,503,755	

The depreciation & impairment heading above includes £392,748 of depreciation and £3,673,321 of impairment on the Mount St Mary's properties held at cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10. Support costs

	Charitable activities 2020 £	Total funds 2020 £	Total funds 2019 £
Governance	50,366	50,366	46,474
Finance	118,812	118,812	135,970
Information technology	96,906	96,906	102,434
Human resources	60,484	60,484	10,410
Depreciation	49,427	49,427	54,472
Office costs	67,082	67,082	62,163
Salaries	829,773	829,773	736,216
Pension contributions	36,017	36,017	22,593
Other	272,644	272,644	345,608
Total 2020	1,581,511	1,581,511	1,516,340
Total 2019	1,516,340	1,516,340	

The support costs have been allocated by assigning expenses to specific support cost centres.

11. Auditor's remuneration

	2020 £	2019 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	10,800	10,000
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	4,360	4,360

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NOTES TO THE FINANCIAL STATEMENTS
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12. Staff costs

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Wages and salaries	4,543,290	4,336,324	4,265,765	4,088,006
Social security costs	395,897	377,913	381,469	365,396
Contributions to defined contribution pension schemes	609,187	423,278	602,150	418,012
	5,548,374	5,137,515	5,249,384	4,871,414

Total redundancy/termination payments amounted to £126,839 (2019: £89,302).

The average number of persons employed by the group and charity during the year was as follows:

	Group 2020 No.	Group 2019 No.	Charity 2020 No.	Charity 2019 No.
Teaching staff	103	101	103	101
Welfare	59	55	59	55
Premises and grounds	12	12	12	12
Administration	28	29	28	29
Transport	11	11	11	11
	213	208	213	208

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	1	1
In the band £100,001 - £110,000	1	1

Total employer pension contributions for the higher paid staff totalled £40,598 (2019: £28,383).

The charity considers its key management personnel comprise the senior management team as detailed on page 1. The total employment benefits including employer's national insurance and employer pension contributions of its key management personnel is £494,271 (2019: £294,186). The increase in costs reflects a transition and handover period between the former headmaster of MSM and the new CEO appointment.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 August 2020, expenses totalling £945 were reimbursed or paid directly to 5 trustees (2019 - £1,369 to 3 trustees) for travel expenses.

14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 September 2019	14,171,471	2,063,209	323,458	69,783	1,174,478	17,802,399
Additions	118,199	434,721	-	-	62,343	615,263
Disposals	(258,333)	-	(3,186)	-	-	(261,519)
Transfers between classes	2,443,127	(2,443,127)	-	-	-	-
Revaluations	720,113	-	-	-	-	720,113
At 31 August 2020	17,194,577	54,803	320,272	69,783	1,236,821	18,876,256
Depreciation						
At 1 September 2019	2,435,340	1,479,212	315,890	69,783	989,705	5,289,930
Charge for the year	223,932	127,779	1,832	-	43,572	397,115
On disposals	(60,657)	-	(2,941)	-	-	(63,598)
Transfers between classes	1,561,709	(1,561,709)	-	-	-	-
Impairment charge	3,673,321	-	-	-	-	3,673,321
On revalued assets	(353,068)	-	-	-	-	(353,068)
At 31 August 2020	7,480,577	45,282	314,781	69,783	1,033,277	8,943,700
Net book value						
At 31 August 2020	9,714,000	9,521	5,491	-	203,544	9,932,556
At 31 August 2019	11,736,131	583,997	7,568	-	184,773	12,512,469

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 September 2019	14,171,471	2,008,406	278,544	1,170,551	17,628,972
Additions	118,199	434,721	-	62,343	615,263
Disposals	(258,333)	-	-	-	(258,333)
Transfers between classes	2,443,127	(2,443,127)	-	-	-
Revaluations	720,113	-	-	-	720,113
At 31 August 2020	17,194,577	-	278,544	1,232,894	18,706,015
Depreciation					
At 1 September 2019	2,435,340	1,437,103	274,419	988,265	5,135,127
Charge for the year	223,932	124,606	1,031	43,179	392,748
On disposals	(60,657)	-	-	-	(60,657)
Transfers between classes	1,561,709	(1,561,709)	-	-	-
Impairment charge	3,673,321	-	-	-	3,673,321
On revalued assets	(353,068)	-	-	-	(353,068)
At 31 August 2020	7,480,577	-	275,450	1,031,444	8,787,471
Net book value					
At 31 August 2020	9,714,000	-	3,094	201,450	9,918,544
At 31 August 2019	11,736,131	571,303	4,125	182,286	12,493,845

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets (continued)

During the year Barlborough Hall School has been reclassified from heritage assets to freehold property. Plant and machinery which is an integral part of the properties has also been reclassified. Barlborough Hall School is carried in the accounts at valuation, the rest of the property assets, including Mount St Mary's College, are included at cost.

A valuation of all the property assets was undertaken on 1 July 2021 on a market value basis by Aitchison Raffety. The valuation for Barlborough Hall School is £3,065,000 and for Mount St Mary's College and the other assets held at cost is £5,725,000. After 31 August 2020 various properties have been sold and these have been added to the valuation prepared by Aitchison Raffety to give a total value for Mount St Mary's College and the other assets as at 31 August 2020 of £6,649,000. In the opinion of the trustees the external valuation together with the proceeds from the properties sold post year end reflects the value as at 31 August 2020. In accordance with the Charities SORP (FRS102) the valuation movement on Barlborough Hall School is shown through other recognised gains and losses on the Statement of Financial Activities, whereas the impairment of the assets held at cost is shown separately as part of charitable activities.

15. Fixed asset investments

<i>Group</i>	Listed investments £	Other fixed asset investments £	Total 2020 £	Total 2019 £
<i>Cost or valuation</i>				
At 1 September 2019	1,434,012	12,294	1,446,306	1,479,980
Additions	107,282	-	107,282	114,465
Disposals	(294,125)	-	(294,125)	(144,083)
Revaluations	(24,028)	-	(24,028)	(4,056)
At 31 August 2020	<u>1,223,141</u>	<u>12,294</u>	<u>1,235,435</u>	<u>1,446,306</u>
Investment cash	<u>66,150</u>	<u>-</u>	<u>66,150</u>	<u>16,555</u>
At 31 August 2020	<u><u>1,289,291</u></u>	<u><u>12,294</u></u>	<u><u>1,301,585</u></u>	<u><u>1,462,861</u></u>
Historical cost	<u>964,688</u>	<u>12,294</u>	<u>976,982</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Fixed asset investments (continued)

<i>Charity</i>	Investments in subsidiary companies £	Listed investments £	Other fixed asset investments £	Total £
<i>Cost or valuation</i>				
At 1 September 2019	2	1,434,012	12,294	1,446,308
Additions	-	107,282	-	107,282
Disposals	-	(294,125)	-	(294,125)
Revaluations	-	(24,028)	-	(24,028)
Investment cash	-	66,150	-	66,150
At 31 August 2020	2	1,289,291	12,294	1,301,587
<i>Net book value</i>				
At 31 August 2020	2	1,289,291	12,294	1,301,587
At 31 August 2019	2	1,434,012	12,294	1,446,308

Principal subsidiaries

The following was a subsidiary undertaking of the charity:

Name	Company number	Registered office	Principal activity	Class of shares	Holding
Mount Conferences Limited	02487135	Mount St. Mary's College	Lettings, operation of tuck shop and uniform sales	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net liabilities £
Mount Conferences Limited	313,637	(448,031)	(134,394)	(130,650)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. Stocks

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Stocks	42,766	58,784	8,930	9,649

17. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	277,087	488,531	243,506	420,478
Amounts owed by group undertakings	2,160	-	2,160	161,670
Other debtors	49,554	50,761	49,554	49,045
Prepayments and accrued income	66,565	67,835	66,565	67,835
	395,366	607,127	361,785	699,028

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NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Bank loans	22,000	-	22,000	-
TRCP loan	-	195,402	-	195,402
Trade creditors	200,552	370,360	188,323	338,734
Other taxation and social security	217,501	125,766	214,141	93,793
Other creditors	83,752	59,802	83,752	59,802
Accruals and deferred income	1,020,247	1,217,895	1,020,247	1,217,895
	1,544,052	1,969,225	1,528,463	1,905,626

	Charity 2020 £	Charity 2019 £
Deferred income at 1 September 2019	1,088,977	1,400,557
Resources deferred during the year	642,712	1,088,977
Amounts released from previous periods	(1,088,977)	(1,400,557)
	642,712	1,088,977

Deferred income represents fees in advance and deposits.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
TRCP loan	3,387,088	3,204,598	3,387,088	3,204,598
Other loans	888,000	-	888,000	-
Other creditors	339,085	175,174	339,085	175,174
	<u>4,614,173</u>	<u>3,379,772</u>	<u>4,614,173</u>	<u>3,379,772</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Payable or repayable by instalments	3,043,648	2,266,667	3,043,648	2,266,667
	<u>3,043,648</u>	<u>2,266,667</u>	<u>3,043,648</u>	<u>2,266,667</u>

The loan from TRCP of £3,387,088 is to be repaid in quarterly instalments from 30 November 2022 and interest of £25,641 (2019: £74,969) has been charged in these accounts at 1.5% above The Bank of England base rate.

The Rathbones loan of £250,000 is to be repaid on expiry of 5 years and interest is to be charged at 2.75% per annum.

The Coronavirus Business Interruption Loan (CBILS) of £660,000 is a 6 year term loan, to be repaid monthly from 24 July 2021 and interest is to be charged at 3.39% starting on 26 June 2021.

The loan from TRCP is secured on the properties of Mount St Mary's.

The Rathbones loan is secured on all the bonds, stocks, shares and other securities held on Mount St Mary's' behalf within the Rathbones portfolio.

The CBILS loan is to be secured on the properties of Mount St Mary's.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	9,733,901	6,497,339	(11,264,631)	5,000	1,049,153	6,020,762
Mount Conferences Limited	3,742	313,637	(448,031)	-	-	(130,652)
	<u>9,737,643</u>	<u>6,810,976</u>	<u>(11,712,662)</u>	<u>5,000</u>	<u>1,049,153</u>	<u>5,890,110</u>
Restricted funds						
Finn Prize Fund	268	-	-	-	-	268
Julie Kenny	1,800	-	-	-	-	1,800
James Lee	575	-	-	-	-	575
Fundraising Project	12,500	-	-	-	-	12,500
Mount 175 Assisted Places	938	-	-	-	-	938
Rudston Fund	60,000	-	-	-	-	60,000
Mount St Mary's Charitable Trust Fund	-	350,000	(350,000)	-	-	-
BHPA	-	5,000	-	(5,000)	-	-
	<u>76,081</u>	<u>355,000</u>	<u>(350,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>76,081</u>
Total of funds	<u>9,813,724</u>	<u>7,165,976</u>	<u>(12,062,662)</u>	<u>-</u>	<u>1,049,153</u>	<u>5,966,191</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
<i>Unrestricted funds</i>					
General Funds	10,148,609	7,031,314	(7,441,966)	(4,056)	9,733,901
Mount Conferences Limited	2,004	481,062	(479,324)	-	3,742
	<u>10,150,613</u>	<u>7,512,376</u>	<u>(7,921,290)</u>	<u>(4,056)</u>	<u>9,737,643</u>
<i>Restricted funds</i>					
Finn Prize Fund	268	-	-	-	268
Julie Kenny	1,800	-	-	-	1,800
James Lee	575	-	-	-	575
Fundraising Project	12,500	-	-	-	12,500
Mount 175 Assisted Places	938	-	-	-	938
Rudston Fund	60,000	-	-	-	60,000
Musical donations	-	1,924	(1,924)	-	-
Hymn book donations	-	1,500	(1,500)	-	-
School Play Fund	-	26	(26)	-	-
Mount St Mary's Charitable Trust Fund	-	70,000	(70,000)	-	-
	<u>76,081</u>	<u>73,450</u>	<u>(73,450)</u>	<u>-</u>	<u>76,081</u>
<i>Total of funds</i>	<u>10,226,694</u>	<u>7,585,826</u>	<u>(7,994,740)</u>	<u>(4,056)</u>	<u>9,813,724</u>

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Unrestricted funds comprise accumulated surpluses on general funds, including unrealised surpluses and deficits on revaluations of investments and tangible fixed assets that are not allocated specifically to restricted funds. These funds are available for use at the discretion of the governors in furtherance of all of the charity's objects.

Restricted funds comprise of:-

The Finn Prize Fund was established by a donation for the award of a prize for science.

The Julie Kenny Fund arises from donations for the purchase of equipment for the music department.

The James Lee Prize Fund was established by a donation for the award of a prize for music.

The Fundraising Project Fund arises from an initial donation of £10,000, along with the associated tax credit, given for the purpose of the appeal to be launched in the near future.

The Mount 175 Assisted Places Fund arise from donations for the funding of assisted places in recognition of the 175 year anniversary.

The Rudston Fund was due to a donation from Rudston College for bursaries to be given to former pupils of that College, the fund has been carried forward as no bursaries have yet been given.

MSM Charitable Trust Fund provide donations to the college for the benefit of bursaries. The MSM Charitable Trust fund has been transferred to the control of Mount St Mary's and administered by the Chairman of Governors, Chairman of the Finance Committee and one other Governor.

BHPA (Barlborough Hall Parents Association) fund represents monies raised specifically for the School to acquire a new playground and this donation has been fully utilised to contribute towards the cost of a new playground for Barlborough Hall during the year.

Musical donations are monies for the pupils musicals which take place during the year.

Hymn book donations have been received and spent in the year on hymn books for the pupils.

School play fund represents monies received and spent on the pantomime in the year.

Transfers between restricted and unrestricted funds represent money donated towards the cost of fixed asset additions.

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NOTES TO THE FINANCIAL STATEMENTS
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21. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
General funds	9,737,643	6,810,976	(11,712,662)	5,000	1,049,153	5,890,110
Restricted funds	76,081	355,000	(350,000)	(5,000)	-	76,081
	<u>9,813,724</u>	<u>7,165,976</u>	<u>(12,062,662)</u>	<u>-</u>	<u>1,049,153</u>	<u>5,966,191</u>

Summary of funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
General funds	10,150,613	7,512,376	(7,921,290)	(4,056)	9,737,643
Restricted funds	76,081	73,450	(73,450)	-	76,081
	<u>10,226,694</u>	<u>7,585,826</u>	<u>(7,994,740)</u>	<u>(4,056)</u>	<u>9,813,724</u>

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	9,932,556	-	9,932,556
Fixed asset investments	1,301,585	-	1,301,585
Current assets	814,194	76,081	890,275
Creditors due within one year	(1,544,052)	-	(1,544,052)
Creditors due in more than one year	(4,614,173)	-	(4,614,173)
Total	<u>5,890,110</u>	<u>76,081</u>	<u>5,966,191</u>

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FOR THE YEAR ENDED 31 AUGUST 2020

22. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior period**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	12,512,469	-	12,512,469
Fixed asset investments	1,462,861	-	1,462,861
Current assets	1,111,310	76,081	1,187,391
Creditors due within one year	(1,969,225)	-	(1,969,225)
Creditors due in more than one year	(3,379,772)	-	(3,379,772)
Total	9,737,643	76,081	9,813,724

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(4,920,714)	(412,970)
Adjustments for:		
Depreciation charges	4,070,436	396,693
Losses on investments	24,028	4,056
Dividends, interests and rents from investments	(101,789)	(113,083)
Loss/(profit) on the sale of fixed assets	10,566	(12,834)
Decrease/(increase) in stocks	16,018	(5,292)
Decrease/(increase) in debtors	211,761	(110,182)
(Decrease) in creditors	(87,860)	(102,240)
Net cash used in operating activities	(777,554)	(355,852)

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FOR THE YEAR ENDED 31 AUGUST 2020

24. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	452,143	521,480
Investment portfolio cash	66,150	16,555
Total cash and cash equivalents	518,293	538,035

25. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	521,480	(69,337)	-	452,143
Debt due within 1 year	(195,402)	(9,088)	182,490	(22,000)
Debt due after 1 year	(3,204,598)	(888,000)	(182,490)	(4,275,088)
	(2,878,520)	(966,425)	-	(3,844,945)

26. Contingent liabilities

Except with prior written consent of the TRCP, Mount St Mary's is required to pay £3.4 million to the TRCP in the event that either both schools close, merge or are transferred to a third party.

The charity has benefited from a grant in 2014/15 from English Heritage for the repair of the Gazebo and Banqueting House of £151,572, which may become repayable if within 10 years, 2025, the conditions of the grant are not satisfied.

The charity has benefited from another grant in 2016/17 from Historic England for repair grants for heritage at risk of £12,318, which may become repayable if within 10 years, 2027, the conditions of the grant are not satisfied.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Capital commitments

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<i>Contracted for but not provided in these financial statements</i>				
Acquisition of tangible fixed assets	-	73,854	-	73,854

28. Pension commitments

Teachers' Pension Scheme

The charity participates in the Teachers' Pension Scheme (the TPS) for its teaching staff.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended) published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 (amended). The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation is due to be implemented from 1 April 2023.

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28. Pension commitments (continued)

The pension charge for the year includes contributions payable to the TPS of £522,820 (2019: £356,299) and at the year end £61,936 (2019: £44,070) was accrued in respect of contributions to this scheme.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The school has accounted for its contributions to the scheme as if it were a defined contribution scheme. The school has set out above the information available on the scheme.

Non Teaching Staff Pension Schemes

Mount St Mary's also operates a Group Personal Pension Scheme which is a defined contribution scheme available to non teaching staff as well as paying into personal pension schemes on behalf of employees not in the Group Scheme. Contributions are charged to the Statement of financial activities as they become payable. Contributions to the schemes during the year totalled £41,401 (2019: £29,406). At the year end £4,012 (2019: £5,150) was accrued in respect of contributions to these schemes.

The charity also operates the Government backed Nest Pension Scheme to fulfil its auto-enrolment obligations. Contributions to the scheme during the year totalled £44,966 (2019: £32,650) and at the year end £6,927 (2019: £5,846) was accrued in respect of contributions to the scheme.

29. Operating lease commitments

At 31 August 2020 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Not later than 1 year	41,551	56,537	6,502	26,589
Later than 1 year and not later than 5 years	80,038	100,764	6,231	12,733
	121,589	157,301	12,733	39,322

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30. Related party transactions

The charity has three members who are appointed by the Trustee of the Society of Jesus (Trustees for Roman Catholic Purposes "TRCP") after consultation with the chair of Governors. The charity has received loans totalling £3,387,088 (2019: £3,400,000) from TRCP, as disclosed in the notes to the accounts.

The charity has an association via common trustees with Mount St Mary's Charitable Fund, Charity No 275497, which provides an annual donation for bursaries. The charity has received £350,000 in the current year (2019: £70,000).

Children and grandchildren of four Governors, R Field, J Phinn, H Phillips and H Nijjar, attended the school during the year. Their fees were charged net of scholarships, sibling discounts and staff discounts.

N Cuddihy, K Keeton and S Godley, members of the senior management team, have children who also attend the school and are in receipt of staff discounts.

N Cuddihy's wife is a member of the teaching staff at Mount St Mary's.

G Chapman's wife is a member of the teaching staff at Barlborough Hall School; while his daughter and son work at Mount St Mary's in coaching and administrative functions respectively.

There have been transactions during the year with the charity's trading subsidiary, Mount Conferences Limited. A bad debt provision has been provided against the balance owed from Mount Conferences Limited of £223,156 as at 31 August 2020 (£161,670 as at 31 August 2019). Expenditure totalling £298,990 (2019: £266,101) has been recharged to the subsidiary during the year.