MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales · Charity number 310218

Details

Other names	MARCHANT-HOLLIDAY SCHOOL (FORMERLY WHATCOMBE HOUSE SCHOOL LTD)
Status	Registered
Legal form	Charitable company
Company number	00618973
Registered	1963-12-31
Register	View on the Charity Commission register

Contact

Address	Marchant Holliday School North Cheriton Templecombe BA8 0AH
Phone	0196333234
Email	s.lusher@marchant-holliday.co.uk
Website	www.marchant-holliday.co.uk

Activities

Objects: 4 The charity's objects ('Objects') are specifically restricted to the following:To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing:(1) To carry on Marchant-Holliday School and as an independent object to acquire as a going concern, establish, carry on or manage elsewhere, any subsidiary, affiliated or other schools or other education related services, for the education of boys and girls and to give pupils general or specialised instruction of the highest class, including, without limitation, making special educational provision for pupils with special educational needs and offering a broad and balanced curriculum.(2) To carry on any schools or other education related services acquired by the Charity as educational charities for the promotion of education generally including provision for the education and training of intending entrants to any private or state funded schools or places of education and to use and apply for that purpose all moneys and property coming to it.

Activities: We are an Independent, Residential Special School, approved by the DfE for Boys aged from 5 to 13 years, who present with Behavioural, Emotional & Social Difficulties, as well as Mental Health issues, including aspects of Autistic Spectrum Disorder & other conditions.

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Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, People With Disabilities

Geography

- Bath And North East Somerset
- Cornwall
- Dorset
- North Somerset
- Somerset
- West Berkshire
- Wiltshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£4,567,190	£4,760,182	£6,147,549	70
2023-03-31	£3,036,525	£3,166,602	£6,340,541	65
2022-03-31	£3,159,065	£2,812,418	£6,470,618	63
2021-03-31	£2,977,417	£2,598,190	£6,123,971	62
2020-03-31	£2,828,031	£2,524,371	£5,744,744	64

Trustees

Name	Role	Appointed
Lt General Retd AM Palmer Anthony Palmer CB CBE	Chair	2023-04-21
Jean Rosemary Walker		2024-03-11
Jonathan Mortimer		2025-01-28
Natasha Hopkins		2022-10-06
Nicola Jayne Slade		2024-05-03
Vicki Cotter		2026-01-28

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MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales - Charity number 310218

Accounts

Company registration number: 00618973

Charitable company registration number: 310218

Marchant-Holliday School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 1 April 2023 to 31 August 2024

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COMPANIES HOUSE

Marchant-Holliday School Limited

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Marchant-Holliday School Limited

Trustees' Report

The Board of Governors has pleasure in submitting its Annual Report together with the audited financial statements for the charity for the period ended 31 August 2024. The financial statements have been prepared in accordance with current statutory requirements.

Background to Marchant-Holliday School

Marchant-Holliday School is an independent, residential and day special school, approved by the Department for Education (DfE) for boys aged five to thirteen who present with Social, Emotional and Mental Health (SEMH) needs, including aspects of autistic spectrum disorder and other conditions. The school receives referrals from Local Authorities throughout the South West of England for both day and boarding placements.

The school sits in beautiful grounds in a rural area of South Somerset on the border with Dorset and Wiltshire. It is well located to local railway stations and is within close proximity to the major road of the A303 providing good accessibility

From its inception, the school has aimed to provide the very best standard of education and care to help pupils develop their full potential for social, emotional and intellectual growth. The original vision of Mr Marchant-Holliday was that the boys coming to the school should find a kind, caring, tolerant and supportive environment that would help them recover their self-worth and self-confidence, as well as continuing to develop essential academic and life skills.

Admission Criteria

All pupils referred to the school have an Education, Health and Care Plan (EHCP). Prior to entry, a thorough assessment of the needs of each pupil is carried out. Once a placement is agreed, bespoke learning and behaviour plans are drawn-up based on the outcomes identified in the EHCP. The school's ultimate aim is to make children feel safe and happy, and subsequently to achieve excellent academic progress, positive behaviour patterns and well developed interpersonal skills.

Purposes and Objectives

Our approach at the Marchant-Holliday School, in support of the EHCP, is to provide an innovative, stimulating and engaging curriculum which will give the pupils a love of learning and the skills to thrive in later life. The pupils referred to us have often had limited access to wider learning opportunities. At Marchant-Holliday School, we place great emphasis on the wider curriculum to develop the whole child. We provide a curriculum linked and social programme of excursions, visits and experiences off site for all pupils.

At the end of their time at Marchant-Holliday School, pupils either return to mainstream education or are placed in secondary specialist provision whichever best suits their needs. We focus on the transition process and see it as a vital aspect of our provision involving parents/carers, Local Authorities and potential new schools to make the transitions as successful as possible. We believe making this process as robust and comprehensive as possible supports the pupils and leads to better outcomes for our pupils.

Marchant-Holliday School Limited

Trustees' Report

Public Benefit

Marchant-Holliday School offers a nurturing educational environment for children with SEMH needs. Typically, these children have found coping in mainstream schools challenging and have not thrived personally or progressed academically. Marchant-Holliday School offers a high teacher: pupil ratio with defined structures and approaches which enables each individual child to thrive. All pupils arrive at Marchant-Holliday School from a Local Authority provision whereby their SEMH needs have been identified as having had an adverse effect on their progress, achievement, their peers, parents/carers and the wider community.

Our small dedicated classroom based provision is supported by specialist teams ranging from 1:1 support in addition to specific needs in terms of Speech and Language Therapy. The school offers public benefit by reducing the impact on local authority provision for children with SEMH needs and provides other opportunities to progress in ways that have proved difficult in their previous settings. This in turn enables our children to become happy, and independent and thereby contribute to society as they grow up.

Whilst the School's primary aim is to provide for our children's needs in order for them to thrive we equally acknowledge, and support the important role of their parents/carers.

In deciding what activities the charity should undertake the trustees have had due regard to the public benefit guidance issued by the Charity Commission.

Social Investment

At Marchant Holliday School, we are dedicated to public benefit as a charity supporting disadvantaged pupils.

Our community involvement includes litter picking and maintaining the local village dog walking field, which fosters environmental stewardship and community spirit among our students.

We also extend our expertise to headteachers and senior leaders in academies, maintained schools, and independent special schools, sharing best practices to enhance educational standards. Through collaborative meetings and tailored guidance, we support effective school improvement plans, creating a ripple effect that benefits countless students beyond our immediate community.

Our social investment strategy includes the Marchant Holliday Outreach Team, which collaborates with school staff to develop strategies for improving attendance, progress, and outcomes for pupils with SEMH and SLCN difficulties. Support is tailored to individual needs, ranging from one-off visits to time-limited programs, ensuring strategies are effectively monitored and adjusted as necessary.

The School demonstrates flexibility, providing emergency respite boarding care, where appropriate to support pupils and families in need. The school provides this support with no additional costs to the relevant authority on a short-term basis.

The School has re-instated our Parent/Carer forum meetings which take place in School once each term (6 times a year). These are co-ordinated by a senior member of staff with the support from our Governors.

Marchant-Holliday School Limited

Trustees' Report

Achievements and Performance

Review of charitable activities undertaken

The Schools stated charitable aim is the care and education of as many vulnerable children as possible within our defined capacity. At Marchant-Holliday School 'vulnerable' relates to children whose life chances may have be impacted by their SEMH needs.

The School's Vision, Values and Culture, as outlined in our Strategic Plan, are all aligned with improving this situation for the pupils referred to us.

The School continues to function as a key provider of education and care for our boys with SEMH needs throughout the South West of England. We have good relationships with the relevant Local Authorities and enjoy an excellent reputation in our field of work. Placement of pupils have remained buoyant during this period under review with numbers fluctuating between 50 to 54 pupils. In line with current trends our boarding requirement is decreasing which the Governing Body are aware of and addressing in their future strategy plans of the school. The continuing health and prosperity of the School depends on the ongoing flow of referrals from local authorities albeit the Governing Body is exploring other avenues to expand our provision.

Key non-financial performance indicators

The Ofsted Education Inspection carried out during March 2024 and Ofsted the Social Care Inspection in November 2023 resulted in 'Outstanding' judgements in all areas. The Inspection Team praised the work of the school and noted that, "Pupils thrive at Marchant Holliday School. Positive relationships, built on mutual respect and trust, help staff nurture pupils' self-esteem, talents and interests. Skilled staff teach a highly personalised and ambitious curriculum to meet pupils' special educational needs and/or disabilities (SEND) exceptionally well. Pupils benefit from an excellent education.
The Trustees believe that the school continues to deliver in terms of achievement of its charitable objectives. In the past 16 months the School has maintained numbers in an increasingly competitive marketplace. The age profile of children referred to the school reflects the increasing numbers of younger pupils thereby providing greater opportunities to influence behaviour patterns at an earlier stage".

Developments

During this financial period there has been significant investment to upgrade the life safety systems, an extensive fire detection and alerting system has been installed throughout the school estate, along with upgrades to the emergency lighting. The school kitchen has been upgraded and fitted out with modern catering equipment. Additional classroom facilities have been created with dedicated outdoor learning spaces. Improvement to various aspects of the School has continued, including residential refurbishments and the security of the site. The School has also continued to invest in energy efficient equipment and measures.

Plans for future periods

The School is exploring opportunities to further increase its capacity for expansion and to diversify its curriculum offer. A long term development plan is in the infancy of being created to explore development of our site to meet our strategic objectives. Projects under consideration are additional classrooms, bespoke intervention rooms, office space and facilities for our therapy provision, replacement sports facilities and new dedicated dining spaces.

Marchant-Holliday School Limited

Trustees' Report

Financial Review

The financial results for the period period 31 August 2024 are set out on pages 13 to 29 and are summarised here.

The results are not directly comparable with the previous year as they cover the period from 1 April 2023 to 31 August 2024. They therefore include four terms' income but 17 months' staff costs.

The school's' total income in 2023/24 was £4,567,190 (2022/23 - £3,036,525). We have continued to closely manage our expenditure and deliver value for money. Our total expenditure in 2023/24 was £4,760,182 (2022/23 - £3,166,602).

We have ended the financial period with a deficit of income over expenditure of £(192,992) (2022/23 - £(130,077)).

Details of movements in fixed assets are show in note 11. Fixed assets relate to land and buildings, fixtures and fittings, motor vehicles and computer equipment.

Policy on reserves

The Board reviews the levels of reserves annually. The school needs to maintain enough unrestricted funds to cover variations in pupil numbers during the year whilst still meeting expenditure commitments.

At 31 August 2024, total reserves stood at £6,147,549 (2023 - £6,340,541). Of this figure, net current assets are £1,577,068 (2023 - £1,902,889) and cash reserves are £2,072,473 (2023 - £1,979,120).

'Free reserves', being unrestricted funds less tangible fixed assets, are £2,575,645 (2023 - £2,901,399). The school aims to provide for a wind-down reserve of £309,000 plus six-months' operating costs of £1,680,064; free reserves are thus ahead of policy.

Of the total reserves of £6,147,549, £1,423 is restricted.

Principal funding sources

Generally 99% of the school's income is derived from fees charged to the Local Authorities for pupil placements.

Investment, Policy and Objectives

The Board adopts what it considers to be a conservative investment policy. It will take professional advice before implementing any changes to its investment portfolio. The school retains a proportion of its funds (typically £1 million) in long-term, low risk income-generating investments, with the aim of generating additional income for the school. Now that financial markets are more stable, the school aims to research higher interest bearing investment accounts in the new financial year.

Marchant-Holliday School Limited

Trustees' Report

Structure, Governance and Management

Nature of Governing Document

The school was incorporated on 13 June 1959 as a company limited by guarantee and not having share capital (registered in England and Wales, number 00618973). The governing document is the Memorandum of Association. The school cannot pay dividends and must utilise all its funds to further its charitable objectives.

Recruitment and Appointment of Trustees

The school currently has a Governing Board comprising of four members. The school continues to recruit governors with skills that will be of value to the governing body. Standard appointment procedures are adopted in the same way that they are applied to paid staff.

Induction and Training of Trustees

All new Trustees follow a pre-determined induction programme which is an adapted form of that used for employees.

Arrangements for Personnel Remuneration

The school adheres to framework documents referred to in staff contracts. In relation to teaching staff: The Teachers' Pay and Conditions document and statutory regulations affecting the employment and conduct of teaching staff. For all other employees: The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. An annual salary review is presented to the Governing Body for their consideration and approval.

Organisational Structure

The Board of Governors undertake decisions on all aspects of the school's activities as presented to them by the Headteacher. They meet at least six times a year and produce minutes of their meetings.

Relationships with related parties

Other than the Trustees, the school has not worked with any related parties during the year. None of the Trustees received remuneration or other benefits from their work with the school.

Major Risks and Management of those Risks

The key identified risk to the continued prosperity of the school is a decline in pupil referrals occasioned by Local Authority changes of policy or other external factors. Management of this is pro-active in terms of ensuring that our provision remains of high quality (as evidenced by Ofsted), that the fee structure is appropriate and moreover that referrers continue to have confidence in our provision for our pupils. Maintenance of good working relationships with Local Authority commissioning officers and SEND Leaders is a key priority within this process. As stated above, reserve policies continue to cater for continuation of the school's business on reduced numbers for a period of 6 months or more should that need ever arise. Governors are aware of these identifiable risks and are working towards other streams of income in support of the continuity of the School.

Marchant-Holliday School Limited

Trustees' Report

Trustees	Mrs W Tolson (resigned 17 April 2023)
	Mrs D Chorlton (resigned 7 April 2023)
	Mrs L M Thorne (resigned 12 April 2023)
	Mrs L Wood (resigned 11 April 2023)
	Mr S J Lusher (resigned 1 September 2023)
	Mrs S J Belgeonne (appointed 14 July 2023 and resigned 12 March 2024)
	Mrs N E Hopkins
	Mr J Mortimer (appointed 28 January 2025)
	Lt General (Retd) AMD Palmer CB CBE (appointed 21 April 2023)
	Mrs N J Slade (appointed 3 May 2024)
	Miss J R Walker (appointed 11 March 2024)
Secretary	Mrs C A Stroud (resigned 11 April 2023)
	Mrs K L Fraiz-Brown (appointed 6 November 2023 and resigned 14 July 2024)
	Mr S J Lusher (appointed 6 November 2023)
Principal Office	North Cheriton Templecombe Somerset BA8 0AH
	The charitable company is incorporated in England and Wales.

Marchant-Holliday School Limited

Trustees' Report

Company Registration Number 00618973

Charitable company Registration Number 310218

Auditor
PKF Francis Clark
Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Solicitors:
Veale Wasbrough Vizards LLP
Narrow Quay House
Narrow Quay
Bristol
BS1 4QA

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charitable company on 22 May 2025 and signed on its behalf by:

Lt General (Retd) AMD Palmer CB CBE
Trustee

Marchant-Holliday School Limited

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Marchant-Holliday School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial period. 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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Opinion

We have audited the financial statements of Marchant-Holliday School Limited (the 'charitable company') for the period from 1 April 2023 to 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its income and expenditure for the period 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

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 matter 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 for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Auditor responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, reviewed certification identified on the company website and other communications and considered findings from previous audits.

The key laws and regulations we identified were General Data Protection Regulations (GDPR), Ofsted Inspection, Safeguarding regulations and Employment Law.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewed Board minutes;
- Reviewed the most recent Ofsted Inspection report;
- Reviewed the Safeguarding policy; and
- Reviewed the ICO website for any notifications.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override and revenue recognition.

In response to the identified risk, as part of our audit work we:

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

- Used data analytics to test journal entries throughout the year, for appropriateness; and
- Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

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

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Martin Hobbs BSc ACA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 22.05.25

Marchant-Holliday School Limited

Statement of Financial Activities

Period from 1 April 2023 to 31 August 2024

	Note	Unrestricted funds £	Restricted funds £	Total 31 August 2024 £	Unrestricted funds £	Restricted funds £	Total Year ended 31 March 2023 £
Income and Endowments from:							
Donations and legacies	3	-	85	85	-	60	60
Charitable activities	4	4,440,923	5,131	4,446,054	3,005,551	4,976	3,010,527
Investment income	5	120,214	-	120,214	25,763	-	25,763
Other income	6	837	-	837	175	-	175
Total Income		4,561,974	5,216	4,567,190	3,031,489	5,036	3,036,525
Expenditure on:							
Charitable activities	7	(4,754,899)	(5,283)	(4,760,182)	(3,163,056)	(3,546)	(3,166,602)
Total Expenditure		(4,754,899)	(5,283)	(4,760,182)	(3,163,056)	(3,546)	(3,166,602)
Net (expenditure)/income		(192,925)	(67)	(192,992)	(131,567)	1,490	(130,077)
Reconciliation of funds							
Total funds brought forward		6,339,051	1,490	6,340,541	6,470,618	-	6,470,618
Total funds carried forward	19	6,146,126	1,423	6,147,549	6,339,051	1,490	6,340,541

All of the charitable company's income and expenditure derive from continuing operations during the above two periods.

The notes on pages 16 to 28 form an integral part of these financial statements.

Marchant-Holliday School Limited

(Registration number: 00618973)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	3,570,481	3,437,652
Investments	12	1,000,000	1,000,000
		4,570,481	4,437,652
Current assets			
Stocks	13	-	207
Debtors	14	928,516	85,964
Cash at bank and in hand	15	2,072,473	1,979,120
		3,000,989	2,065,291
Creditors: Amounts falling due within one year	16	(1,423,921)	(162,402)
Net current assets		1,577,068	1,902,889
Net assets		6,147,549	6,340,541
Funds of the charitable company:			
Restricted income funds			
Restricted funds		1,423	1,490
Unrestricted income funds			
Unrestricted funds		6,146,126	6,339,051
Total funds	19	6,147,549	6,340,541

The financial statements on pages 13 to 28 were approved by the trustees, and authorised for issue on 22 Nov 25 and signed on their behalf by:

.....
Lt General (Retd) AMD Palmer CB CBE
Trustee

Marchant-Holliday School Limited

Statement of Cash Flows for the Period from 1 April 2023 to 31 August 2024

	Note	31 August 2024 £	31 March 2023 £
Cash flows from operating activities			
Net expenditure		(192,992)	(130,077)
Adjustments to cash flows from non-cash items			
Depreciation		222,317	155,632
Investment income	5	(120,214)	(25,763)
		(90,889)	(208)
Working capital adjustments			
Decrease in stocks	13	207	4,993
(Increase)/decrease in debtors	14	(842,552)	225,737
Increase in creditors	16	104,635	11,314
Increase/(decrease) in deferred income		1,156,884	(12,921)
Net cash flows from operating activities		328,285	228,915
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(355,225)	(153,326)
Sale of tangible fixed assets		79	7,210
Net cash flows from investing activities		(355,146)	(146,116)
Cash flows from financing activities			
Investment income		120,214	25,763
Net increase in cash and cash equivalents		93,353	108,562
Cash and cash equivalents at 1 April		1,979,120	1,870,558
Cash and cash equivalents at 31 August		2,072,473	1,979,120

All of the cash flows are derived from continuing operations during the above two periods.

Marchant-Holliday School Limited

Notes to the Financial Statements for the Period from 1 April 2023 to 31 August 2024

1 Company information

The company is a registered charity and a company limited by guarantee without share capital incorporated in England and Wales. The guarantors are the members of the charity to the extent of £1 each.

The address of its registered office and principal place of business is:

North Cheriton
Templecombe
Somerset
BA8 0AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation
Marchant-Holliday School Limited 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 notes.

The functional currency of the charitable company is considered to be pounds sterling because this is the currency of the primary economic environment in which the charitable company operates, and the financial statements are presented to the nearest round pound.

Going concern
The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charitable company.

Income and endowments
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 the income receivable can be measured reliably.

School fee income is recognised in the period to which it relates.

Investment income is recognised in the period in which it is earned on a receivable basis.

Income received in advance is shown within deferred income and released in the period to which it relates.

Expenditure
Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation
The charitable company 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 charitable company 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.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are capitalised where the cost exceeds £500.

Depreciation
Depreciation is provided on tangible fixed assets, except for land, so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	15 - 50 years straight line
Fixtures and fittings	3 - 7 years straight line
Motor vehicles	25% reducing balance
Computer equipment	3 years straight line

Fixed asset investments
Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and net realisable value, being estimated selling price less costs to sell, after due regard for obsolete and slow moving stocks.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charitable company.

Unrestricted designated funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme and the assets are held separately from those of the charity. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate. Further details are provided in Note 17.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments in income bonds; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Except for investments in income bonds, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Investments in income bonds are measured initially at market value, which is normally the transaction price. Subsequent to initial recognition, investments are measured at market value, with changes recognised in the Statement of Financial Activities.

3 Income from donations and legacies

	Restricted funds £	Total 31 August 2024 £	Total Year ended 31 March 2023 £
Donations	85	85	60
	85	85	60

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2024 £
School fees	4,440,923	990	4,441,913
Pupil premium	-	4,141	4,141
	4,440,923	5,131	4,446,054

	Unrestricted funds General £	Restricted funds £	Total 2023 £
School fees	3,005,551	1,490	3,007,041
Pupil premium	-	3,486	3,486
	3,005,551	4,976	3,010,527

5 Investment income

	Unrestricted funds General £	Total 2024 £
Interest receivable and similar income;		
Interest receivable on bank deposits	71,301	71,301
Other investment income	48,913	48,913
	120,214	120,214

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income:		
Interest receivable on bank deposits	12,674	12,674
Other investment income	13,089	13,089
	25,763	25,763

6 Other income

	Unrestricted funds General £	Total funds £
Other income	837	837
Total for period ended 31 August 2024	837	837
Total for period ended 31 March 2023	175	175

7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Costs of running school	4,530,943	229,239	4,760,182	3,166,602

8 Net income/expenditure

Net expenditure for the period includes:

	31 August 2024 £	31 March 2023 £
Depreciation of fixed assets	222,317	155,632
Auditors' remuneration	12,000	7,750
Auditors' remuneration for non-audit services	1,900	1,000
Accountancy services	1,757	-

9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or previous year.

See Note 21 for expenses reimbursed to trustees during the current year.

10 Staff costs

The aggregate payroll costs were as follows:

	2024	31 March 2023
	£	£
Wages and salaries	3,057,222	1,895,956
Social security costs	282,568	182,287
Pension costs	382,233	232,876
	3,722,023	2,311,119

The monthly average number of persons (including senior management team) employed by the charitable company during the period was as follows:

	31 August 2024	31 March 2023
	No	No
Teaching staff	15	14
Care staff	15	14
Teaching assistants	26	25
Domestic staff	8	9
Office staff	6	5
	70	67

The number of employees whose emoluments fell within the following bands was:

	2024	2023
	No	No
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

The total employee benefits of the key management personnel of the charitable company were £655,020 (2023 - £444,559).

Notes to the Financial Statements for the Period from 1 April 2023 to 31 August 2024

11 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2023	4,488,257	386,890	176,225	149,174	5,200,546
Additions	120,516	230,337	-	4,372	355,225
Disposals	-	-	(32,134)	-	(32,134)
At 31 August 2024	4,608,773	617,227	144,091	153,546	5,523,637
Depreciation					
At 1 April 2023	1,171,186	326,492	129,380	135,836	1,762,894
Charge for the year	149,626	41,852	14,716	16,123	222,317
Eliminated on disposals	-	-	(32,055)	-	(32,055)
At 31 August 2024	1,320,812	368,344	112,041	151,959	1,953,156
Net book value					
At 31 August 2024	3,287,961	248,883	32,050	1,587	3,570,481
At 31 March 2023	3,317,071	60,398	46,845	13,338	3,437,652

12 Fixed asset investments

	31 August 2024 £	31 March 2023 £
Investment in income bonds	1,000,000	1,000,000

13 Stock

	2024 £	2023 £
Stocks	-	207

Notes to the Financial Statements for the Period from 1 April 2023 to 31 August 2024

14 Debtors

	31 August 2024 £	31 March 2023 £
Trade debtors	885,027	32,685
Other debtors	8,112	809
Prepayments and accrued income	35,377	52,470
	928,516	85,964

15 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	505	259
Cash at bank	2,071,968	1,978,861
	2,072,473	1,979,120

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	139,563	49,526
Other taxation and social security	84,799	75,301
Other creditors	14,994	1,935
Accruals	27,681	35,640
Deferred income	1,156,884	-
	1,423,921	162,402

17 Pension schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charitable company to the scheme and amounted to £358,730 (2023 - £218,354).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

18 Charitable company status

The charitable company is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of liquidation.

Marchant-Holliday School Limited

Notes to the Financial Statements for the Period from 1 April 2023 to 31 August 2024

19 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted funds				
General				
General fund	6,339,051	4,561,974	(4,754,899)	6,146,126
Restricted funds				
School fund	-	2,566	(1,143)	1,423
Pupil premium	1,490	4,141	(5,631)	-
Total restricted funds	1,490	6,707	(6,774)	1,423
Total funds	6,340,541	4,568,681	(4,761,673)	6,147,549

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General				
General fund	6,470,618	3,031,489	(3,163,056)	6,339,051
Restricted				
School fund	-	60	(60)	-
Pupil premium	-	4,976	(3,486)	1,490
Total restricted funds	-	5,036	(3,546)	1,490
Total funds	6,470,618	3,036,525	(3,166,602)	6,340,541

The specific purposes for which the funds are to be applied are as follows:

Restricted funds:

School funds are donations made specifically for the benefit of the boys, and the funds are utilised to provide items for the benefit of the boys. During the year, an amount was spent to purchase christmas presents for all of the boys and to fund a token shop to reward the boys for good behaviour. The boys earn tokens for good behaviour and can then spend them on a Friday at the shop. Funds are typically utilised on an ad-hoc basis over the period each pupil is enrolled in the School.

Pupil premium funds are received to provide additional support for eligible pupils. The funds are used to provide additional learning resources and one-to-one education and emotional support for disadvantaged children over the period each relevant pupil is enrolled at the School. In some cases this may not be possible (notably where local authority systems delay payment of the sums due) and the balance may remain outstanding when the pupil leaves. In such circumstances, arrangements are made whenever possible to transfer the funds to the successor school in order that the young person continues to receive benefit from the allocation made.

20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 August 2024 £
Tangible fixed assets	3,570,481	-	3,570,481
Fixed asset investments	1,000,000	-	1,000,000
Current assets	2,999,566	1,423	3,000,989
Current liabilities	(1,423,921)	-	(1,423,921)
Total net assets	6,146,126	1,423	6,147,549

	Unrestricted funds £	Restricted £	Total funds at 31 March 2023 £
Tangible fixed assets	3,437,652	-	3,437,652
Fixed asset investments	1,000,000	-	1,000,000
Current assets	2,063,801	1,490	2,065,291
Current liabilities	(162,402)	-	(162,402)
Total net assets	6,339,051	1,490	6,340,541

21 Related party transactions

During the period, the charity made the following transactions with trustees:

£198 (2023 - £nil) of expenses were reimbursed during the period.

No trustees, nor any persons connected with them, have received any remuneration during the period.

No trustees have received any other benefits from the charity during the period.

MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales - Charity number 310218

Accounts

Company registration number: 00618973
Charitable company registration number: 310218

Marchant-Holliday School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Marchant-Holliday School Limited

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Marchant-Holliday School Limited

Trustees' Report

The Board of Governors has pleasure in submitting its Annual Report together with the audited financial statements for the charity for the year ended 31 March 2023. The financial statements have been prepared in accordance with current statutory requirements.

Background to Marchant-Holliday School

Marchant-Holliday School is an independent, residential and day special school, approved by the Department for Education (DfE) for boys aged five to thirteen who present with Social, Emotional and Mental Health (SEMH) needs, including aspects of autistic spectrum disorder and other conditions. The school receives referrals from Local Authorities throughout the South West of England for both day and boarding placements.

The school sits in beautiful grounds in a rural area of South Somerset on the border with Dorset and Wiltshire. It is well located to local railway stations and is within close proximity to the major road of the A303 providing good accessibility

From its inception, the school has aimed to provide the very best standard of education and care to help pupils develop their full potential for social, emotional and intellectual growth. The original vision of Mr Marchant-Holliday was that the boys coming to the school should find a kind, caring, tolerant and supportive environment that would help them recover their self-worth and self-confidence, as well as continuing to develop essential academic and life skills.

Admission Criteria

All pupils referred to the school have an Education, Health and Care Plan (EHCP). Prior to entry, a thorough assessment of the needs of each pupil is carried out. Once a placement is agreed, bespoke learning and behaviour plans are drawn-up based on the outcomes identified in the (EHCP). The school's ultimate aim is to make children feel safe and happy, and subsequently to achieve excellent academic progress, positive behaviour patterns and well developed interpersonal skills.

Purposes and Objectives

Our approach at the Marchant-Holliday School, in support of the EHCP, is to provide an innovative, stimulating and engaging curriculum which will give the pupils a love of learning and the skills to thrive in later life. The pupils referred to us have often had limited access to wider learning opportunities. At Marchant-Holliday School, we place great emphasis on the wider curriculum to develop the whole child. We provide a curriculum linked and social programme of excursions, visits and experiences off site for all pupils.

At the end of their time at Marchant-Holliday School, pupils either return to mainstream education or are placed in secondary specialist provision whichever best suits their needs. We focus on the transition process and see it as a vital aspect of our provision involving parents/carers, Local Authorities and potential new schools to make the transitions as successful as possible. We believe making this process as robust and comprehensive as possible supports the pupils and leads to better outcomes for our pupils.

Marchant-Holliday School Limited

Trustees' Report

Public Benefit

Marchant-Holliday School offers a nurturing educational environment for children with SEMH needs. Typically, these children have found coping in mainstream schools challenging and have not thrived personally or progressed academically. Marchant-Holliday School offers a high teacher: pupil ratio with defined structures and approaches which enables each individual child to thrive. All pupils arrive at Marchant-Holliday School from a Local Authority provision whereby their SEMH needs have been identified as having had an adverse effect on their progress, achievement, their peers, parents/carers and the wider community.

Our small dedicated classroom based provision is supported by specialist teams ranging from 1:1 support in addition to specific needs in terms of Speech and Language Therapy. The school offers public benefit by reducing the impact on local authority provision for children with SEMH needs and provides other opportunities to progress in ways that have proved difficult in their previous settings. This in turn enables our children to become happy, and independent and thereby contribute to society as they grow up.

Whilst the School's primary aim is to provide for our children's needs in order for them to thrive we equally acknowledge, and support the important role of their parents/carers.

The Trustees have had due regard to the Charity Commission's guidance on public benefit in deciding which activities the Charity should undertake.

Social Investment

Senior members of staff have visited local schools at their request to provide advice and discuss behaviour needs/strategies to support individual pupils. In certain instances, we have also been able to provide staff training and advice on the transition process for pupils with Education, Health and Care Plans.

The School demonstrates flexibility, providing emergency respite boarding care, where appropriate to support pupils and families in need. The school provides this support with no additional costs to the relevant authority on a short-term basis.

The School has re-instated our Parent/Carer forum meetings which take place in School once each term (6 times a year). These are co-ordinated by a senior member of staff with the support from our Governors.

The school has developed strong local community links and has participated in charitable activities which support our local families. This includes holiday food vouchers for our parent/carers, in addition to donations to the local Lord's Larder and the instigation of grocery food vouchers for 26 identified families in need facilitated by the Balsam Centre in Wincanton and a local grocery retail shop.

The School supports the local hamlet, North Cheriton, with litter picks and cleaning of the local village hall. We also allow access for local resident parking during holiday periods and to support village events.

Achievements and Performance

Review of charitable activities undertaken

The Schools stated charitable aim is the care and education of as many vulnerable children as possible within our defined capacity. At Marchant-Holliday School 'vulnerable' relates to children whose life chances may have be impacted by their SEMH needs.

Trustees' Report

The School's Vision, Values and Culture, as outlined in our Strategic Plan, are all aligned with improving this situation for the pupils referred to us.

The School continues to function as a key provider of education and care for our boys with SEMH needs throughout the South West of England. We have good relationships with the relevant Local Authorities and enjoy an excellent reputation in our field of work. Placement of pupils have remained buoyant during this period under review with numbers fluctuating between 44 and 50 pupils. In line with current trends our boarding requirement is decreasing which the Governing Body are aware of and addressing in their future strategy plans of the school. The continuing health and prosperity of the School depends on the ongoing flow of referrals from local authorities albeit the Governing Body is exploring other avenues to expand our provision.

Key non-financial performance indicators

The Ofsted Joint Education & Care Inspection carried out during January 2020 and the Social Care Inspection in October 2021 resulted in 'Good' judgements in all areas. The Inspection Team praised the work of the school and noted that, "pupils thrive at this school". The school's rigorous self-evaluation ensures that both educational and care standards are maintained and developed further. Internal benchmarking and assessment show continued progress in both academic and social attainment across all age groups.

The Trustees believe that the school continues to deliver in terms of achievement of its charitable objectives. In the past 12 months the School has maintained numbers in an increasingly competitive marketplace. The age profile of children referred to the school reflects the increasing numbers of younger pupils thereby providing greater opportunities to influence behaviour patterns at an earlier stage.

Developments

During the year there has been further investment in improving various aspects of the School, including residential refurbishments and the security of the site. The School has also continued to convert all lighting to energy efficient resources and this includes both internal and external lighting.

The School has re-configured staff car parking and other associated health and safety provisions.

A new high quality mini-adventure play area has been installed on the playground to complement the new adventure play equipment on the field.

An auto-dose system for the swimming pool has been installed and is in use.

On the northern parameter of the School, a 3.2 acre area of land has been purchased. This land does not currently have building permission however, not only does it enhance our security boundaries but equally offers the school opportunities to explore ecological projects in support of our Strategic Plan.

Plans for future periods

The School is exploring opportunities to further increase its capacity for expansion and to diversify its curriculum offer. The services of architects have been instructed to explore development of our site to meet our strategic objectives. Projects under consideration are additional classrooms, bespoke intervention rooms, office space and provision for our Speech and Language provision.

Marchant-Holliday School Limited

Trustees' Report

Financial Review

The financial results for the year ended 31 March 2023 are set out on pages 13 to 29 and are summarised here.

The school's' total income in 2022/23 was £3,036,525 (2021/22 - £3,159,065). We have continued to closely manage our expenditure and deliver value for money. Our total expenditure in 2022/23 was £3,166,602 (2021/22 - £2,812,418).

We have ended the financial year with a deficit of income over expenditure of £(130,077) (2020/21 - £346,647).

Details of movements in fixed assets are show in note 12. Fixed assets relate to land and buildings, fixtures and fittings, motor vehicles and computer equipment.

Policy on reserves

The Board reviews the levels of reserves annually. The school needs to maintain enough unrestricted funds to cover variations in pupil numbers during the year whilst still meeting expenditure commitments.

At 31 March 2023, total reserves stood at £6,340,541 (2022 - £6,470,618). Of this figure, net current assets are £1,902,889 (2022 - £2,023,450) and cash reserves are £1,979,120 (2022 - £1,870,558).

'Free reserves', being unrestricted funds less tangible fixed assets, are £2,901,399 (2022 - £3,023,450). The school aims to provide for a wind-down reserve of £309,000 plus six-month's operating costs of £1,636,492; free reserves are thus ahead of policy.

Of the total reserves of £6,340,051, £1,490 is restricted.

Principal funding sources

Generally 99% of the school's income (2022 - 99%) is derived from fees charged to the Local Authorities for pupil placements.

Investment, Policy and Objectives

The Board adopts what it considers to be a conservative investment policy. It will take professional advice before implementing any changes to its investment portfolio. The school retains a proportion of its funds (typically £1 million) in long-term, low risk income-generating investments, with the aim of generating additional income for the school. Now that financial markets are more stable, the school aims to research higher interest bearing investment accounts in the new financial year.

Structure, Governance and Management

Nature of Governing Document

The school was incorporated on 13 June 1959 as a company limited by guarantee and not having share capital (registered in England and Wales, number 00618973). The governing document is the Memorandum of Association. The school cannot pay dividends and must utilise all its funds to further its charitable objectives.

Marchant-Holliday School Limited

Trustees' Report

Recruitment and Appointment of Trustees

The school currently has a Governing Board comprising of four members. The school continues to recruit governors with skills that will be of value to the governing body. Standard appointment procedures are adopted in the same way that they are applied to paid staff.

Induction and Training of Trustees

All new Trustees follow a pre-determined induction programme which is an adapted form of that used for employees.

Arrangements for Personnel Remuneration

The school adheres to framework documents referred to in staff contracts. In relation to teaching staff: The Teachers' Pay and Conditions document and statutory regulations affecting the employment and conduct of teaching staff. For all other employees: The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. An annual salary review is presented to the Governing Body for their consideration and approval.

Organisational Structure

The Board of Governors undertake decisions on all aspects of the school's activities as presented to them by the Headteacher. They meet at least six times a year and produce minutes of their meetings.

Relationships with related parties

Other than the Trustees, the school has not worked with any related parties during the year. None of the Trustees received remuneration or other benefits from their work with the school.

Major Risks and Management of those Risks

The key identified risk to the continued prosperity of the school is a decline in pupil referrals occasioned by Local Authority changes of policy or other external factors. Management of this is pro-active in terms of ensuring that our provision remains of high quality (as evidenced by Ofsted), that the fee structure is appropriate and moreover that referrers continue to have confidence in our provision for our pupils. Maintenance of good working relationships with Local Authority commissioning officers and SEND Leaders is a key priority within this process. As stated above, reserve policies continue to cater for continuation of the school's business on reduced numbers for a period of 6 months or more should that need ever arise. Governors are aware of these identifiable risks and are working towards other streams of income in support of the continuity of the School.

Marchant-Holliday School Limited

Trustees' Report

Trustees	Mr S W T S Jaggard (resigned 29 September 2022)
	Mrs J Scholes (resigned 3 October 2022)
	Mrs W Tolson (resigned 17 April 2023)
	Mrs J S Mitchell (appointed 28 April 2022 and resigned 26 September 2022)
	Mrs D Chorlton (appointed 4 October 2022 and resigned 7 April 2023)
	Mrs N E Hopkins (appointed 6 October 2022)
	Mrs L M Thorne (appointed 6 October 2022 and resigned 12 April 2023)
	Mrs L Wood (appointed 12 December 2022 and resigned 11 April 2023)
	Mr S J Lusher (appointed 9 March 2023 and resigned 1 September 2023)
	Mr A Palmer (appointed 21 April 2023)
	Mrs S J Belgeonne (appointed 14 July 2023)
Secretary	Mrs D J Jones (resigned 14 November 2022)
Principal Office	North Cheriton Templecombe Somerset BA8 0AH
	The charitable company is incorporated in England and Wales.
Company Registration Number	00618973
Charitable company Registration Number	310218
Auditor	PKF Francis Clark Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Marchant-Holliday School Limited

Trustees' Report

The annual report was approved by the trustees of the charitable company on 27/03/24 and signed on its behalf by:

.....
Mr A Palmer
Trustee

Trustees' Report

Statement of trustees' responsibilities

The trustees (who are also the directors of Marchant-Holliday School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Opinion

We have audited the financial statements of Marchant-Holliday School Limited (the 'charitable company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

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 matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Auditor responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, reviewed certification identified on the company website and other communications and considered findings from previous audits.

The key laws and regulations we identified were General Data Protection Regulations (GDPR), Ofsted Inspection, Safeguarding regulations and Employment Law.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewed Board minutes;
- Reviewed the most recent Ofsted Inspection report; and
- Reviewed the Safeguarding policy.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override and revenue recognition.

In response to the identified risk, as part of our audit work we:

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

• Used data analytics to test journal entries throughout the year, for appropriateness; and

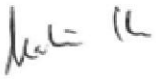
• Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statement. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....

Martin Hobbs BSc ACA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date:27 March 2024

Marchant-Holliday School Limited

Statement of Financial Activities

Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:							
Donations and legacies	3	-	60	60	-	60	60
Charitable activities	4	3,005,551	4,976	3,010,527	3,146,374	4,801	3,151,175
Investment income	5	25,763	-	25,763	1,290	-	1,290
Other income	6	175	-	175	6,540	-	6,540
Total Income		3,031,489	5,036	3,036,525	3,154,204	4,861	3,159,065
Expenditure on:							
Charitable activities	7	(3,163,056)	(3,546)	(3,166,602)	(2,807,557)	(4,861)	(2,812,418)
Total Expenditure		(3,163,056)	(3,546)	(3,166,602)	(2,807,557)	(4,861)	(2,812,418)
Net (expenditure)/income		(131,567)	1,490	(130,077)	346,647	-	346,647
Reconciliation of funds							
Total funds brought forward		6,470,618	-	6,470,618	6,123,971	-	6,123,971
Total funds carried forward	20	6,339,051	1,490	6,340,541	6,470,618	-	6,470,618

All of the charitable company's income and expenditure derive from continuing operations during the above two periods.

Marchant-Holliday School Limited

(Registration number: 00618973)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	3,437,652	3,447,168
Investments	13	1,000,000	1,000,000
		4,437,652	4,447,168
Current assets			
Stocks	14	207	5,200
Debtors	15	85,964	311,701
Cash at bank and in hand	16	1,979,120	1,870,558
		2,065,291	2,187,459
Creditors: Amounts falling due within one year	17	(162,402)	(164,009)
Net current assets		1,902,889	2,023,450
Net assets		6,340,541	6,470,618
Funds of the charitable company:			
Restricted income funds			
Restricted funds		1,490	-
Unrestricted income funds			
Unrestricted funds		6,339,051	6,470,618
Total funds	20	6,340,541	6,470,618

The financial statements on pages 13 to 29 were approved by the trustees, and authorised for issue on 27/3/24 and signed on their behalf by:

.....
Mr A Palmer
Trustee

Marchant-Holliday School Limited

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net (expenditure)/income		(130,077)	346,647
Adjustments to cash flows from non-cash items			
Depreciation		155,632	155,792
Investment income	5	(25,763)	(1,290)
		(208)	501,149
Working capital adjustments			
Decrease/(increase) in stocks	14	4,993	(3,546)
Decrease/(increase) in debtors	15	225,737	(222,973)
Increase in creditors	17	11,314	28,135
Decrease in deferred income		(12,921)	(11,563)
Net cash flows from operating activities		228,915	291,202
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(153,326)	(214,557)
Sale of tangible fixed assets		7,210	-
Net cash flows from investing activities		(146,116)	(214,557)
Cash flows from financing activities			
Investment income		25,763	1,290
Net increase in cash and cash equivalents		108,562	77,935
Cash and cash equivalents at 1 April		1,870,558	1,792,623
Cash and cash equivalents at 31 March		1,979,120	1,870,558

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Company information

The company is a registered charity and a company limited by guarantee without share capital incorporated in England and Wales. The guarantors are the members of the charity to the extent of £1 each.

The address of its registered office and principal place of business is:

North Cheriton
Templecombe
Somerset
BA8 0AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation
Marchant-Holliday School Limited 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 notes.

Going concern
The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charitable company.

Income and endowments
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 the income receivable can be measured reliably.

School fee income is recognised in the period to which it relates.

Investment income is recognised in the period in which it is earned on a receivable basis.

Income received in advance is shown within deferred income and released in the period to which it relates.

Expenditure
Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation
The charitable company 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 charitable company 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.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are capitalised where the cost exceeds £500.

Depreciation
Depreciation is provided on tangible fixed assets, except for land, so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	15 - 50 years straight line
Fixtures and fittings	3 - 7 years straight line
Motor vehicles	25% reducing balance
Computer equipment	3 years straight line

Fixed asset investments
Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and net realisable value, being estimated selling price less costs to sell, after due regard for obsolete and slow moving stocks.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charitable company.

Unrestricted designated funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme and the assets are held separately from those of the charity. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate. Further details are provided in Note 17.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments in income bonds; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Except for investments in income bonds, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Investments in income bonds are measured initially at market value, which is normally the transaction price. Subsequent to initial recognition, investments are measured at market value, with changes recognised in the Statement of Financial Activities.

3 Income from donations and legacies

	Restricted funds £	Total 2023 £	Total 2022 £
Donations	60	60	60
	60	60	60

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £
School fees	3,005,551	1,490	3,007,041
Pupil premium	-	3,486	3,486
	3,005,551	4,976	3,010,527

	Unrestricted funds General £	Restricted funds £	Total 2022 £
School fees	3,146,267	-	3,146,267
School meals	107	-	107
Pupil premium	-	4,801	4,801
	3,146,374	4,801	3,151,175

5 Investment income

	Unrestricted funds General £	Total 2023 £
Interest receivable and similar income;		
Interest receivable on bank deposits	12,674	12,674
Other investment income	13,089	13,089
	25,763	25,763

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	323	323
Other investment income	967	967
	1,290	1,290

6 Other income

	Unrestricted funds General £	Total funds £
Other income	175	175
Total for 2023	175	175
Total for 2022	6,540	6,540

7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2023 £	2022 £
Costs of running school	2,932,007	234,595	3,166,602	2,812,418

8 Analysis of support costs

Support costs allocated to charitable activities

	Governance costs £	Administration costs £	Total 2023 £	Total 2022 £
Costs of running school	78,088	156,507	234,595	153,881

9 Net income/expenditure

Net (expenditure)/income for the year includes:

	2023 £	2022 £
Depreciation of fixed assets	155,632	155,792
Auditors' remuneration	7,750	7,950
Auditors' remuneration for non-audit services	1,000	1,050

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or previous year.

No trustees have received any reimbursed expenses from the charity during the current or previous year.

11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Wages and salaries	1,895,956	1,695,586
Social security costs	182,287	153,212
Pension costs	232,876	214,198
	2,311,119	2,062,996

The monthly average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2023 No	2022 No
Teaching staff	14	12
Care staff	14	16
Teaching assistants	25	22
Domestic staff	9	10
Office staff	5	3
	67	63

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£60,001 - £70,000	2	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-

The total employee benefits of the key management personnel of the charitable company were £444,559 (2022 - £430,822).

12 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2022	4,320,073	417,988	173,225	144,520	5,055,806
Additions	122,906	22,766	3,000	4,654	153,326
Disposals	(5,124)	(3,462)	-	-	(8,586)
Transfers between classifications	50,402	(50,402)	-	-	-
At 31 March 2023	4,488,257	386,890	176,225	149,174	5,200,546
Depreciation					
At 1 April 2022	1,055,688	317,610	114,434	120,906	1,608,638
Charge for the year	101,820	23,936	14,946	14,930	155,632
Eliminated on disposals	(69)	(1,307)	-	-	(1,376)
Transfers	13,747	(13,747)	-	-	-
At 31 March 2023	1,171,186	326,492	129,380	135,836	1,762,894
Net book value					
At 31 March 2023	3,317,071	60,398	46,845	13,338	3,437,652
At 31 March 2022	3,264,385	100,378	58,791	23,614	3,447,168

13 Fixed asset investments

	2023 £	2022 £
Investment in income bonds	1,000,000	1,000,000

14 Stock

	2023 £	2022 £
Stocks	207	5,200

15 Debtors

	2023	2022
	£	£
Trade debtors	32,685	249,765
Other debtors	809	10,889
Prepayments and accrued income	52,470	51,047
	85,964	311,701

16 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	259	422
Cash at bank	1,978,861	1,870,136
	1,979,120	1,870,558

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	49,526	38,748
Other taxation and social security	75,301	63,933
Other creditors	1,935	1,517
Accruals	35,640	46,890
Deferred income	-	12,921
	162,402	164,009

18 Pension schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charitable company to the scheme and amounted to £218,354 (2022 - £201,160).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

19 Charitable company status

The charitable company is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of liquidation.

20 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General				
General fund	6,470,618	3,031,489	(3,163,056)	6,339,051
Restricted funds				
School fund	-	60	(60)	-
Pupil premium	-	4,976	(3,486)	1,490
Total restricted funds	-	5,036	(3,546)	1,490
Total funds	6,470,618	3,036,525	(3,166,602)	6,340,541

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
General fund	6,123,971	3,154,204	(2,807,557)	6,470,618
Restricted				
School fund	-	60	(60)	-
Pupil premium	-	4,801	(4,801)	-
Total restricted funds	-	4,861	(4,861)	-
Total funds	6,123,971	3,159,065	(2,812,418)	6,470,618

The specific purposes for which the funds are to be applied are as follows:

Restricted funds:

School funds are donations made specifically for the benefit of the boys, and the funds are utilised to provide items for the benefit of the boys. During the year, an amount was spent to purchase christmas presents for all of the boys and to fund a token shop to reward the boys for good behaviour. The boys earn tokens for good behaviour and can then spend them on a Friday at the shop. Funds are typically utilised on an ad-hoc basis over the period each pupil is enrolled in the School.

Pupil premium funds are received to provide additional support for eligible pupils. The funds are used to provide additional learning resources and one-to-one education and emotional support for disadvantaged children over the period each relevant pupil is enrolled at the School. In some cases this may not be possible (notably where local authority systems delay payment of the sums due) and the balance may remain outstanding when the pupil leaves. In such circumstances, arrangements are made whenever possible to transfer the funds to the successor school in order that the young person continues to receive benefit from the allocation made.

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted £	Total funds at 31 March 2021 £
Tangible fixed assets	3,437,652	-	3,437,652
Fixed asset investments	1,000,000	-	1,000,000
Current assets	2,063,801	1,490	2,065,291
Current liabilities	(162,402)	-	(162,402)
Total net assets	6,339,051	1,490	6,340,541

	Unrestricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	3,447,168	3,447,168
Fixed asset investments	1,000,000	1,000,000
Current assets	2,187,459	2,187,459
Current liabilities	(164,009)	(164,009)
Total net assets	6,470,618	6,470,618

22 Related party transactions

There were no related party transactions in the year (2022 - None).

MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales - Charity number 310218

Accounts

Company registration number: 00618973
Charitable company registration number: 310218

Marchant-Holliday School Limited

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Marchant-Holliday School Limited

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Marchant-Holliday School Limited

Trustees' Report

The Board of Governors has pleasure in submitting its Annual Report together with the audited financial statements for the charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with current statutory requirements.

Background to Marchant-Holliday School

Marchant-Holliday School is an independent, residential and day special school, approved by the Department for Education (DfE) for boys aged five to thirteen who present with Social, Emotional and Mental Health (SEMH) needs, including aspects of autistic spectrum disorder and other conditions. The school receives referrals from Local Authorities throughout the South West of England for both day and boarding placements.

The school sits in beautiful grounds in a rural area of South Somerset on the border with Dorset and Wiltshire. It is well located to local railway stations and is within close proximity to the major road of the A303 providing good accessibility

From its inception, the school has aimed to provide the very best standard of education and care to help pupils develop their full potential for social, emotional and intellectual growth. The original vision of Mr Marchant-Holliday was that the boys coming to the school should find a kind, caring, tolerant and supportive environment that would help them recover their self-worth and self-confidence, as well as continuing to develop essential academic and life skills.

Admission Criteria

All pupils referred to the school have an Education, Health and Care Plan (EHCP). Prior to entry, a thorough assessment of the needs of each pupil is carried out. Once a placement is agreed, bespoke learning and behaviour plans are drawn-up based on the outcomes identified in the (EHCP). The school's ultimate aim is to make children feel safe and happy, and subsequently to achieve excellent academic progress, positive behaviour patterns and well developed interpersonal skills.

Purposes and Objectives

Our approach at the Marchant-Holliday School, in support of the EHCP, is to provide an innovative, stimulating and engaging curriculum which will give the pupils a love of learning and the skills to thrive in later life. The pupils referred to us have often had limited access to wider learning opportunities. At Marchant-Holliday School, we place great emphasis on the wider curriculum to develop the whole child. We provide a curriculum linked and social programme of excursions, visits and experiences off site for all pupils.

At the end of their time at Marchant-Holliday School, pupils either return to mainstream education or are placed in secondary specialist provision whichever best suits their needs. We focus on the transition process and see it as a vital aspect of our provision involving parents/carers, Local Authorities and potential new schools to make the transitions as successful as possible. We believe making this process as robust and comprehensive as possible supports the pupils and leads to better outcomes for our pupils.

Marchant-Holliday School Limited

Trustees' Report

Public Benefit

Marchant-Holliday School offers a nurturing educational environment for children with SEMH needs. Typically, these children have found coping in mainstream schools challenging and have not thrived personally or progressed academically. Marchant-Holliday School offers a high teacher: pupil ratio with defined structures and approaches which enables each individual child to thrive. All pupils arrive at Marchant-Holliday School from a Local Authority provision whereby their SEMH needs have been identified as having had an adverse effect on their progress, achievement, their peers, parents/carers and the wider community.

Our small dedicated classroom based provision is supported by specialist teams ranging from 1:1 support in addition to specific needs in terms of Speech and Language Therapy. The school offers public benefit by reducing the impact on local authority provision for children with SEMH needs and provides other opportunities to progress in ways that have proved difficult in their previous settings. This in turn enables our children to become happy, and independent and thereby contribute to society as they grow up.

Whilst the School's primary aim is to provide for our children's needs in order for them to thrive we equally acknowledge, and support the important role of their parents/carers.

Social Investment

Senior members of staff have visited local schools at their request to provide advice and discuss behaviour needs/strategies to support individual pupils. In certain instances, we have also been able to provide staff training and advice on the transition process for pupils with Education, Health and Care Plans.

The School demonstrates flexibility, providing emergency respite boarding care, where appropriate to support pupils and families in need. The school provides this support with no additional costs to the relevant authority on a short-term basis.

Post Covid, the School intends to re-instate our Parent/Carer forum with meetings due to take place in School once each term (6 times a year). These are due to recommence in December 2022 and are co-ordinated by a senior member of staff with the support from our Parent Governor.

The school has developed strong local community links and has participated in charitable activities which support our local families. This includes holiday food vouchers for our parent/carers, in addition to donations to the local Lord's Larder and the instigation of grocery food vouchers for 26 identified families in need facilitated by the Balsam Centre in Wincanton and a local grocery retail shop.

The School supports the local hamlet, North Cheriton, with litter picks and cleaning of the local village hall. We also allow access for local resident parking during holiday periods and to support village events.

Achievements and Performance

<u>Review of charitable activities undertaken</u>

The Schools stated charitable aim is the care and education of as many vulnerable children as possible within our defined capacity. At Marchant-Holliday School 'vulnerable' relates to children whose life chances may have be impacted by their SEMH needs.

The School's Vision, Values and Culture, as outlined in our Strategic Plan, are all aligned with improving this situation for the pupils referred to us.

Marchant-Holliday School Limited

Trustees' Report

The School continues to function as a key provider of education and care for our boys with SEMH needs throughout the South West of England. We have good relationships with the relevant Local Authorities and enjoy an excellent reputation in our field of work. Placement of pupils have remained buoyant during this period under review with numbers fluctuating between 44 and 50 pupils. In line with current trends our boarding requirement is decreasing which the Governing Body are aware of and addressing in their future strategy plans of the school. The continuing health and prosperity of the School depends on the ongoing flow of referrals from local authorities albeit the Governing Body is exploring other avenues to expand our provision.

Key non-financial performance indicators

The Ofsted Joint Education & Care Inspection carried out during January 2020 and the Social Care Inspection in October 2021 resulted in 'Good' judgements in all areas. The Inspection Team praised the work of the school and noted that, "pupils thrive at this school". The school's rigorous self-evaluation ensures that both educational and care standards are maintained and developed further. Internal benchmarking and assessment show continued progress in both academic and social attainment across all age groups.

The Trustees believe that the school continues to deliver in terms of achievement of its charitable objectives. In the past 12 months the School has maintained numbers in an increasingly competitive marketplace. The age profile of children referred to the school reflects the increasing numbers of younger pupils thereby providing greater opportunities to influence behaviour patterns at an earlier stage.

Developments

During the year there has been further investment in improving various aspects of the School, including residential refurbishments and the security of the site. The School has also continued to convert all lighting to energy efficient resources and this includes both internal and external lighting.

The School has re-configured staff car parking and other associated health and safety provisions.

A new high quality mini-adventure play area has been installed on the playground to complement the new adventure play equipment on the field.

An auto-dose system for the swimming pool has been installed and is in use.

On the northern parameter of the School, a 3.2 acre area of land has been purchased. This land does not currently have building permission however, not only does it enhance our security boundaries but equally offers the school opportunities to explore ecological projects in support of our Strategic Plan.

Plans for future periods

The School is exploring opportunities to further increase its capacity for expansion and to diversify its curriculum offer. The services of architects have been instructed to explore development of our site to meet our strategic objectives. Projects under consideration are additional classrooms, bespoke intervention rooms, office space and provision for our Speech and Language provision.

Marchant-Holliday School Limited

Trustees' Report

Financial Review

The financial results for the year ended 31 March 2022 are set out on pages 14 to 29 and are summarised here.

The schools' total income in 2021/22 was £3,159,065 (2020/21 - £2,977,417). We have continued to closely manage our expenditure and deliver value for money. Our total expenditure in 2021/22 was £2,812,418 (2020/21 - £2,598,190).

We have ended the financial year with a surplus of income over expenditure of £346,647 (2020/21 - £379,227).

Details of movements in fixed assets are show in note 12. Fixed assets relate to land and buildings, fixtures and fittings, motor vehicles and computer equipment.

Policy on reserves

The Board reviews the levels of reserves annually. The school needs to maintain enough unrestricted funds to cover variations in pupil numbers during the year whilst still meeting expenditure commitments.

At 31 March 2022, total reserves stood at £6,470,618 (2021 - £6,123,971). Of this figure, net current assets are £2,023,450 (2021 - £1,735,568) and cash reserves are £1,870,558 (2021 - £1,792,623).

'Free reserves', being unrestricted funds less tangible fixed assets, are £3,023,450 (2021 - £2,735,568). The school aims to provide for a wind-down reserve of £309,000 plus six-month's operating costs of £1,487,000; free reserves are thus ahead of policy.

Of the total reserves of £6,470,618, all are unrestricted.

Principal funding sources

Generally 99% of the school's income (2020 - 99%) is derived from fees charged to the Local Authorities for pupil placements.

Investment, Policy and Objectives

The Board adopts what it considers to be a conservative investment policy. It will take professional advice before implementing any changes to its investment portfolio. The school retains a proportion of its funds (typically £1 million) in long-term, low risk income-generating investments, with the aim of generating additional income for the school. Now that financial markets are more stable, the school aims to research higher interest bearing investment accounts in the new financial year.

Structure, Governance and Management

Nature of Governing Document

The school was incorporated on 13 June 1959 as a company limited by guarantee and not having share capital (registered in England and Wales, number 00618973). The governing document is the Memorandum of Association. The school cannot pay dividends and must utilise all its funds to further its charitable objectives.

Marchant-Holliday School Limited

Trustees' Report

Recruitment and Appointment of Trustees

The school currently has a Governing Board comprising of four members. The school continues to recruit governors with skills that will be of value to the governing body. Standard appointment procedures are adopted in the same way that they are applied to paid staff.

Induction and Training of Trustees

All new Trustees follow a pre-determined induction programme which is an adapted form of that used for employees.

Arrangements for Personnel Remuneration

The school adheres to framework documents referred to in staff contracts. In relation to teaching staff: The Teachers' Pay and Conditions document and statutory regulations affecting the employment and conduct of teaching staff. For all other employees: The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. An annual salary review is presented to the Governing Body for their consideration and approval.

Organisational Structure

The Board of Governors undertake decisions on all aspects of the school's activities as presented to them by the Headteacher. They meet at least six times a year and produce minutes of their meetings.

Relationships with related parties

Other than the Trustees, the school has not worked with any related parties during the year. None of the Trustees received remuneration or other benefits from their work with the school.

Major Risks and Management of those Risks

The key identified risk to the continued prosperity of the school is a decline in pupil referrals occasioned by Local Authority changes of policy or other external factors. Management of this is pro-active in terms of ensuring that our provision remains of high quality (as evidenced by Ofsted), that the fee structure is appropriate and moreover that referrers continue to have confidence in our provision for our pupils. Maintenance of good working relationships with Local Authority commissioning officers and SEND Leaders is a key priority within this process. As stated above, reserve policies continue to cater for continuation of the school's business on reduced numbers for a period of 6 months or more should that need ever arise. Governors are aware of these identifiable risks and are working towards other streams of income in support of the continuity of the School.

Marchant-Holliday School Limited

Trustees' Report

Trustees	Miss C M Savage (resigned 4 October 2021) Mrs D Chorlton (appointed 4 October 2022) Revd Dr A C Creedon (resigned 28 February 2022) Mrs N E Hopkins (appointed 6 October 2022) Mr S W T S Jaggard (resigned 29 September 2022) Mrs J S Mitchell (appointed 28 April 2022 and resigned 26 September 2022) Mrs L M Thorne (appointed 6 October 2022) Mrs J Scholes (resigned 3 October 2022) Mrs W Tolson
Secretary	Mrs D J Jones
Principal Office	North Cheriton Templecombe Somerset BA8 0AH
	The charitable company is incorporated in England and Wales.
Company Registration Number	00618973
Charitable company Registration Number	310218
Auditor	PKF Francis Clark Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charitable company on 12/12/22 and signed on its behalf by:

.....
Mrs W Tolson
Trustee

Marchant-Holliday School Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Marchant-Holliday School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Opinion

We have audited the financial statements of Marchant-Holliday School Limited (the 'charitable company') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Other information

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

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

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, reviewed certification identified on the company website and other communications and considered findings from previous audits.

The key laws and regulations we identified were General Data Protection Regulations (GDPR), Ofsted Inspection, Safeguarding regulations and Employment Law.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewed Board minutes;
- Reviewed the most recent Ofsted Inspection report; and
- Reviewed the Safeguarding policy.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override and revenue recognition.

In response to the identified risk, as part of our audit work we:

- Used data analytics to test journal entries throughout the year, for appropriateness; and

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

• Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statement. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's trustees, 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 trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Martin Hobbs BSc ACA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 22/12/2022

Marchant-Holliday School Limited

Statement of Financial Activities

Year Ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:							
Donations and legacies	3	-	60	60	-	592	592
Charitable activities	4	3,146,374	4,801	3,151,175	2,965,534	80	2,965,614
Investment income	5	1,290	-	1,290	9,010	-	9,010
Other income	6	6,540	-	6,540	2,201	-	2,201
Total Income		3,154,204	4,861	3,159,065	2,976,745	672	2,977,417
Expenditure on:							
Charitable activities	7	(2,807,557)	(4,861)	(2,812,418)	(2,594,657)	(3,533)	(2,598,190)
Total Expenditure		(2,807,557)	(4,861)	(2,812,418)	(2,594,657)	(3,533)	(2,598,190)
Net income/(expenditure)		346,647	-	346,647	382,088	(2,861)	379,227
Reconciliation of funds							
Total funds brought forward		6,123,971	-	6,123,971	5,741,883	2,861	5,744,744
Total funds carried forward	20	6,470,618	-	6,470,618	6,123,971	-	6,123,971

All of the charitable company's income and expenditure derive from continuing operations during the above two periods.

Marchant-Holliday School Limited

(Registration number: 00618973)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	3,447,168	3,388,403
Investments	13	1,000,000	1,000,000
		4,447,168	4,388,403
Current assets			
Stocks	14	5,200	1,654
Debtors	15	311,701	88,728
Cash at bank and in hand	16	1,870,558	1,792,623
		2,187,459	1,883,005
Creditors: Amounts falling due within one year	17	(164,009)	(147,437)
Net current assets		2,023,450	1,735,568
Net assets		6,470,618	6,123,971
Funds of the charitable company:			
Unrestricted income funds			
Unrestricted funds		6,470,618	6,123,971
Total funds	20	6,470,618	6,123,971

The financial statements on pages 12 to 27 were approved by the trustees, and authorised for issue on 12/12/2022 and signed on their behalf by:

.....
Mrs W Tolson
Trustee

The notes on pages 15 to 27 form an integral part of these financial statements.

Marchant-Holliday School Limited

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net income		346,647	379,227
Adjustments to cash flows from non-cash items			
Depreciation		155,792	151,639
Investment income	5	(1,290)	(9,010)
		501,149	521,856
Working capital adjustments			
Increase in stocks	14	(3,546)	(791)
(Increase)/decrease in debtors	15	(222,973)	246,987
Increase in creditors	17	28,135	48,037
(Decrease)/increase in deferred income		(11,563)	24,484
Net cash flows from operating activities		291,202	840,573
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(214,557)	(163,775)
Cash flows from financing activities			
Investment income		1,290	9,010
Net increase in cash and cash equivalents		77,935	685,808
Cash and cash equivalents at 1 April		1,792,623	1,106,815
Cash and cash equivalents at 31 March		1,870,558	1,792,623

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Company information

The company is a registered charity and a company limited by guarantee without share capital incorporated in England and Wales. The guarantors are the members of the charity to the extent of £1 each.

The address of its registered office and principal place of business is:

North Cheriton
Templecombe
Somerset
BA8 0AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation
Marchant-Holliday School Limited 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 notes.

Going concern
The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charitable company.

Income and endowments
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 the income receivable can be measured reliably.

School fee income is recognised in the period to which it relates.

Investment income is recognised in the period in which it is earned on a receivable basis.

Income received in advance is shown within deferred income and released in the period to which it relates.

Expenditure
Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation
The charitable company 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 charitable company 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.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are capitalised where the cost exceeds £500.

Depreciation
Depreciation is provided on tangible fixed assets, except for land, so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	15 - 50 years straight line
Fixtures and fittings	3 - 7 years straight line
Motor vehicles	25% reducing balance
Computer equipment	3 years straight line

Fixed asset investments
Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and net realisable value, being estimated selling price less costs to sell, after due regard for obsolete and slow moving stocks.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charitable company.

Unrestricted designated funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme and the assets are held separately from those of the charity. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate. Further details are provided in Note 17.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments in income bonds; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Except for investments in income bonds, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Investments in income bonds are measured initially at market value, which is normally the transaction price. Subsequent to initial recognition, investments are measured at market value, with changes recognised in the Statement of Financial Activities.

3 Income from donations and legacies

	Restricted funds £	Total 2022 £	Total 2021 £
Donations	60	60	592
	60	60	592

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
School fees	3,146,267	-	3,146,267
School meals	107	-	107
Pupil premium	-	4,801	4,801
	3,146,374	4,801	3,151,175

	Unrestricted funds General £	Restricted funds £	Total 2021 £
School fees	2,965,330	-	2,965,330
School meals	204	-	204
Pupil premium	-	80	80
	2,965,534	80	2,965,614

5 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	323	323
Other investment income	967	967
	1,290	1,290

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	665	665
Other investment income	8,345	8,345
	9,010	9,010

6 Other income

	Unrestricted funds General £	Total funds £
Other income	6,540	6,540
Total for 2022	6,540	6,540
Total for 2021	2,201	2,201

7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Costs of running school	2,658,537	153,881	2,812,418	2,598,190

8 Analysis of support costs

Support costs allocated to charitable activities

	Governance costs £	Administration costs £	Total 2022 £	Total 2021 £
Costs of running school	24,097	129,784	153,881	125,568

9 Net income/expenditure

Net income for the year includes:

	2022 £	2021 £
Depreciation of fixed assets	155,792	151,639
Auditors' remuneration	7,950	7,770
Auditors' remuneration for non-audit services	1,050	980

10 Trustees remuneration and expenses

During the year the charitable company made the following transactions with trustees:

Expenses of £nil were reimbursed to one trustee (2021: £7).

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or previous year.

11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Wages and salaries	1,695,586	1,628,782
Social security costs	153,212	145,811
Pension costs	214,198	201,356
	2,062,996	1,975,949

The monthly average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2022 No	2021 No
Teaching staff	12	12
Care staff	16	17
Teaching assistants	22	17
Domestic staff	10	13
Office staff	3	3
	63	62

The number of employees whose emoluments fell within the following bands was:

	2022 No	2021 No
£60,001 - £70,000	2	2
£90,001 - £100,000	1	1

The total employee benefits of the key management personnel of the charitable company were £430,822 (2021 - £383,452).

12 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2021	4,173,650	368,974	173,225	125,400	4,841,249
Additions	146,423	49,014	-	19,120	214,557
At 31 March 2022	4,320,073	417,988	173,225	144,520	5,055,806
Depreciation					
At 1 April 2021	962,968	290,088	95,506	104,284	1,452,846
Charge for the year	92,720	27,522	18,928	16,622	155,792
At 31 March 2022	1,055,688	317,610	114,434	120,906	1,608,638
Net book value					
At 31 March 2022	3,264,385	100,378	58,791	23,614	3,447,168
At 31 March 2021	3,210,682	78,886	77,719	21,116	3,388,403

13 Fixed asset investments

	2022 £	2021 £
Investment in income bonds	1,000,000	1,000,000

14 Stock

	2022 £	2021 £
Stocks	5,200	1,654

15 Debtors

	2022 £	2021 £
Trade debtors	249,765	43,334
Other debtors	10,889	-
Prepayments and accrued income	51,047	45,394
	311,701	88,728

16 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	422	152
Cash at bank	1,870,136	1,792,471
	1,870,558	1,792,623

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	38,748	49,410
Other taxation and social security	63,933	59,220
Other creditors	1,517	2,161
Accruals	46,890	12,162
Deferred income	12,921	24,484
	164,009	147,437

18 Pension schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charitable company to the scheme and amounted to £201,160 (2021 - £201,356).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

19 Charitable company status

The charitable company is limited by share capital, incorporated in England and Wales.

20 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
General fund	6,123,971	3,154,204	(2,807,557)	6,470,618
Restricted funds				
School fund	-	60	(60)	-
Pupil premium	-	4,801	(4,801)	-
Total restricted funds	-	4,861	(4,861)	-
Total funds	6,123,971	3,159,065	(2,812,418)	6,470,618

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General				
General fund	5,741,883	2,976,745	(2,594,657)	6,123,971
Restricted				
School fund	221	592	(813)	-
Pupil premium	2,640	80	(2,720)	-
Total restricted funds	2,861	672	(3,533)	-
Total funds	5,744,744	2,977,417	(2,598,190)	6,123,971

The specific purposes for which the funds are to be applied are as follows:

Restricted funds:

School funds are donations made specifically for the benefit of the boys, and the funds are utilised to provide items for the benefit of the boys. During the year, an amount was spent to purchase christmas presents for all of the boys and to fund a token shop to reward the boys for good behaviour. The boys earn tokens for good behaviour and can then spend them on a Friday at the shop. Funds are typically utilised on an ad-hoc basis over the period each pupil is enrolled in the School.

Pupil premium funds are received to provide additional support for eligible pupils. The funds are used to provide additional learning resources and one-to-one education and emotional support for disadvantaged children over the period each relevant pupil is enrolled at the School. In some cases this may not be possible (notably where local authority systems delay payment of the sums due) and the balance may remain outstanding when the pupil leaves. In such circumstances, arrangements are made whenever possible to transfer the funds to the successor school in order that the young person continues to receive benefit from the allocation made.

21 Analysis of net assets between funds

	Unrestricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	3,447,168	3,447,168
Fixed asset investments	1,000,000	1,000,000
Current assets	2,187,459	2,187,459
Current liabilities	(164,009)	(164,009)
Total net assets	6,470,618	6,470,618

	Unrestricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	3,388,403	3,388,403
Fixed asset investments	1,000,000	1,000,000
Current assets	1,883,005	1,883,005
Current liabilities	(147,437)	(147,437)
Total net assets	6,123,971	6,123,971

22 Related party transactions

There were no related party transactions in the year (2021 - None).

MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales - Charity number 310218

Accounts

Company registration number: 00618973
Charitable company registration number: 310218

Marchant-Holliday School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Marchant-Holliday School Limited

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Marchant-Holliday School Limited

Trustees' Report

The Board of Governors has pleasure in submitting its Annual Report together with the audited financial statements for the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with current statutory requirements.

Objectives and activities

Objects and aims

The school is an independent, residential special school, approved by the Department for Education (DfE) for boys aged five to thirteen who present with Social, Emotional and Mental Health (SEMH) needs, including aspects of autistic spectrum disorder and other conditions. The school receives referrals from local authorities throughout the South West of England for both day and boarding placements.

The school sits in beautiful grounds in a rural area of South Somerset on the borders of Dorset and Wiltshire. The nearest train stations are Templecombe and Castle Cary. The school is a 5 minutes' drive from the A303.

From its inception, the school has aimed to provide the very best standard of education and care to help pupils to develop their full potential for social, emotional and intellectual growth. The original vision of Mr Marchant-Holliday was that the boys coming to the school should find a caring, tolerant and supportive environment that would help them recover their self-worth and self-confidence, as well as continuing to develop essential academic and life skills.

Objectives, strategies and activities

Prior to entry a careful assessment of the needs of each pupil is carried out and once a placement is agreed, bespoke learning and behaviour plans are drawn-up based on the Education Health and Care Plan (EHCP). The school's ultimate aim is to make children feel safe and happy, and subsequently to achieve excellent academic progress, positive behaviour patterns and well developed interpersonal skills.

One of the ways the school seeks to achieve this is by offering an innovative, stimulating and engaging curriculum which will give the pupils a love of learning and the skills to thrive in later life. The pupils referred to us have often had limited access to wider learning opportunities. At The Marchant-Holliday School we place great emphasis on the wider curriculum, including lots of trips and visits. These can be as a class or year group linked to their curriculum based topic or residential activity trips. From September 2021, we will again be running a comprehensive programme of trips, visits and experiences off site for all pupils.

At the end of their time at The Marchant-Holliday School, pupils either return to mainstream education or are placed in secondary specialist provision which best suits their needs. We have been focusing on the transition process closely involving our families, local authorities and potential new schools to make any transitions as successful as possible. We believe making this process as robust and comprehensive as possible supports the pupils and leads to better outcomes.

Marchant-Holliday School Limited

Trustees' Report

Public benefit

The school offers a nurturing educational environment for children with SEMH needs. Typically, these children find coping in a mainstream class difficult and The Marchant-Holliday School is able to offer a high teacher-to-pupil ratio with structures and systems that help to support the needs of each child individually. All pupils arrive at The Marchant-Holliday School from local authority provision where their SEMH needs will have had an adverse effect on both their performance and that of their peers. The education and care provided at The Marchant-Holliday School is tailored to the needs of each pupil. The school offers public benefit by reducing the impact on local authority provision for all children with SEMH needs and seeks to enable the children to progress in ways that have proved difficult in a mainstream setting. This in turn better equips them with the skills to be happy, independent children and contribute to society as they grow up. In addition, the support for the child often results in an improved home environment benefitting the whole family.

The education provided at Marchant-Holliday is tailored to the special educational needs (SEND) of each pupil with the aim of returning them to local authority schools where appropriate. The school offers public benefit by reducing the impact on local authority provision for all children with disruptive behaviour and seeks to enable the children to progress in ways that are not possible in mainstream education. This in turn better equips them with the skills to be able to be independent and contribute to society as they grow up (see the Preparation for Adulthood Framework). In addition, the support for the child quite often results in an improved home environment for both children and adults. The cost of special education is significantly higher than state mainstream provision.

The Governors confirm they have complied with the section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

During the past year, when Covid restrictions have permitted it, senior members of staff have visited local schools at their request to provide advice and discuss behaviour needs/strategies to support individual pupils. In certain instances we have also been able to provide staff training and advice on the transition process for pupils with Education, Health and Care Plans.

In a few instances the School has provided emergency respite boarding care, at no additional cost to the authority, for short periods of time to support pupils and their families. This is something which supports the School's values and ethos.

Post Covid, the School hopes to re-instate our Parent/Carer forum with meetings due to take place in School once each term (6 times a year). This is co-ordinated by the SENCo and Head of Personal Development.

Achievements and performance

Review of charitable activities undertaken

The school continues to function as a key provider of education and care to boys with SEMH needs throughout the South West of England. We have good relationships with the relevant local authorities and enjoy a good reputation in our field of work. Numbers of pupils have remained buoyant during the period under review with numbers fluctuating between 44 and 50 pupils, with a good balance between weekly boarding and day provision. As always, the continuing health and prosperity of the school depends on the ongoing flow of referrals from local authorities.

Trustees' Report

Key non-financial performance indicators

The Ofsted Joint Education & Care Inspection carried out during January 2020 resulted in a 'Good' judgement in all areas. The inspection was carried out under the new Ofsted Common Inspection Framework (2019). The Inspection Team praised the work of the school and noted that, "pupils thrive at this school". The school's rigorous self-evaluation ensures that both educational and care standards are maintained and developed further. Internal benchmarking and assessment show continued progress in both academic and social attainment across all age groups.

The Trustees believe that the school continues to deliver well in terms of achievement of its charitable objectives. Over the past 12 months has seen a continued growth in pupil numbers despite the Covid crisis and the school continues to enjoy a high level of pupil referrals from the various local authorities. The age profile of children referred to the school continues to include younger pupils and this provides greater opportunities to influence behaviour patterns at an earlier stage. During the year, 63% (5 of 8) pupils leaving the school returned to mainstream education with the remainder being placed in specialist secondary provisions.

Developments

During the 2020/21 year there have been further investment in improving the fabric of some of the buildings to create additional space as well as space for in-house training and professional development. The School now has a dedicated meeting room adjacent to the reception area.

The main fire escape to the front of the school has been fully refurbished.

The school continues to convert all lighting to energy efficient sources. This includes both internal and external lighting.

A new solar powered outdoor classroom has been installed adjacent to the school garden to complement the roundhouse classroom in the quarry area.

Due to the deterioration of the old play equipment on the field over the last year, an extensive, high quality adventure play area has been installed in June 2021.

There has been ongoing investment in IT throughout the school over the past year.

Plans for future periods

The School is exploring opportunities to further increase its capacity for expansion and to diversify its curriculum offer.

Financial review

The financial results for the year ended 31 March 2021 are set out on pages 12 to 26 and are summarised here.

The schools' total income in 2020/21 was £2,977,417 (2019/20 - £2,828,031). We have continued to closely manage our expenditure and deliver value for money. Our total expenditure in 2020/21 was £2,598,190 (2019/20 - £2,524,371).

We have ended the financial year with a surplus of income over expenditure of £379,227 (2019/20 - £303,660).

Details of movements in fixed assets are show in note 12. Fixed assets relate to land and buildings, fixtures and fittings, motor vehicles and computer equipment.

Trustees' Report

Policy on reserves

The Board reviews the levels of reserves annually. The school needs to maintain enough unrestricted funds to cover variations in pupil numbers during the year whilst still meeting expenditure commitments.

At 31 March 2021, total reserves stood at £6,123,971 (2020 - £5,744,744). Of this figure, net current assets are £1,735,568 (2020 - £1,368,477) and cash reserves are £1,792,623 (2020 - £1,106,815).

'Free reserves', being unrestricted funds less tangible fixed assets, are £2,735,568 (2020 - £2,365,616). The school aims to provide for a wind-down reserve of £309,000 plus six-month's operating costs of £1,487,000; free reserves are thus ahead of policy. The school's capital projects of to fund future strategic aims were put on hold during the financial year due to Covid-19.

Of the total reserves of £6,123,971, all is unrestricted.

Principal funding sources

99% of the school's income (2019 - 99%) is derived from fees charged to the local authorities for pupil placements.

Investment policy and objectives

The Board adopts what it considers to be a conservative investment policy. It will take professional advice before implementing any changes to its investment portfolio. The school retains a proportion of its funds (typically £1 million) in long-term, low risk income-generating investments, with the aim of generating additional income for the school. The school plans to research higher interest bearing investment accounts in the new financial year.

Structure, governance and management

Nature of governing document

The school was incorporated on 13 June 1959 as a company limited by guarantee and not having share capital (registered in England and Wales, number 00618973). The governing document is the Memorandum of Association. The school cannot pay dividends and must utilise all its funds to further its charitable objectives.

Recruitment and appointment of trustees

The school currently has a Governing Board comprising four members. The school continues to seek to recruit individuals with skills that will be of value to the governing body. Standard appointment procedures are adopted in the same way that they are applied to paid staff.

Induction and training of trustees

All new Trustees follow a pre-determined induction programme which is an adapted form of that used for employees.

Arrangements for setting key management personnel remuneration

The school works within framework documents referred to in staff contracts: For teachers: The Teachers' Pay and Conditions Document and statutory regulations affecting the employment and conduct of teaching staff. For all other employees: The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. An annual salary review is overseen by the Chair of Governors.

Marchant-Holliday School Limited

Trustees' Report

Organisational structure

The Board of Governors take decisions on all aspects of the school's activities. They meet at least six times a year.

Relationships with related parties

Other than the Trustees, the school has not worked with any related parties during the year. None of the Trustees received remuneration or other benefits from their work with the school.

Major risks and management of those risks

The key identified risk to the continued prosperity of the school has always been a decline in pupil referrals occasioned by local authority changes of policy or other external factors. Management of this is pro-active in terms of ensuring that our provision remains of high quality (as evidenced by Ofsted), that the fee structure is appropriate and that referrers continue to have confidence in provision for the pupils. Maintenance of good working relationships with local authority commissioning officers and SEND Leaders is a key priority within this process. As stated above, reserve policies continue to cater for continuation of the school's business on reduced numbers for a period of 6 months or more should that need ever arise.

Covid-19

As a specialist residential provision for pupils with SEMH, with all our pupils deemed vulnerable, the school has been required by the DfE to remain open since the first national lock-down in March 2020. In doing this the school has liaised closely with the DfE, Public Health England, the National Association of Special Schools, respective local authorities and the Unions to ensure adequate and safe provision for all members of the school community.

With the school remaining open, there is no current threat to funding from referring local authorities. The school has amended policies and procedures to fall into line with current requirements and recommended best practice, and ensured that risk assessments, hygiene protocols, daily routines and information to staff, pupils and families has been updated and disseminated regularly. When pupils have been unable to attend due to Covid-related circumstances, the School has been providing them with a chrome book to use at home to enable them to access the school's 'remote learning' platform. This has been coordinated by the school's Curriculum and Learning Lead. For pupils eligible for free school meals, food boxes have been provided during school holiday periods.

In an effort to help local families during the Covid pandemic over the past year the school has made a financial donation to The Lord's Larder based in Yeovil and supported by our local church in North Cheriton. The School also joined with a local greengrocer in Wincanton to provide weekly shopping vouchers, during the main school holiday periods, to families involved with the local charity, The Balsam Centre.

The school will continue to respond to the national picture in working with professional bodies and colleagues in keeping the school open and functioning effectively.

Marchant-Holliday School Limited

Trustees' Report

Reference and Administrative Details

Trustees	Mr S W T S Jaggard
	Mrs J Scholes
	Mrs W Tolson
	Mrs C M G Finlay (appointed 21 May 2020 and resigned 21 September 2020)
	Revd Dr A C Creedon (appointed 21 May 2020)
	Miss C M Savage (appointed 21 May 2020)
Secretary	Mrs D J Jones
Principal Office	North Cheriton Templecombe Somerset BA8 0AH
	The charitable company is incorporated in England and Wales.
Company Registration Number	00618973
Charitable company Registration Number	310218
Auditor	PKF Francis Clark Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charitable company on 8 Dec 2021 and signed on its behalf by:

.....
Mrs J Scholes
Trustee

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Marchant-Holliday School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Opinion

We have audited the financial statements of Marchant-Holliday School Limited (the 'charitable company') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Other information

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

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

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, reviewed certification identified on the company website and other communications and considered findings from previous audits.

The key laws and regulations we identified were General Data Protection Regulations (GDPR), Ofsted Inspection, Safeguarding regulations and Employment Law.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewed Board minutes;
- Reviewed the most recent Ofsted Inspection report; and
- Reviewed the Safeguarding policy.

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override and revenue recognition.

In response to the identified risk, as part of our audit work we:

- Used data analytics to test journal entries throughout the year, for appropriateness; and

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

• Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates.

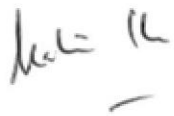
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statement. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

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 trustees, 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 trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Hobbs BSc ACA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date:16 December 2021

Marchant-Holliday School Limited

Statement of Financial Activities

Year Ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:							
Donations and legacies	3	-	592	592	-	1,674	1,674
Charitable activities	4	2,965,534	80	2,965,614	2,809,196	2,640	2,811,836
Investment income	5	9,010	-	9,010	14,321	-	14,321
Other income	6	2,201	-	2,201	200	-	200
Total Income		2,976,745	672	2,977,417	2,823,717	4,314	2,828,031
Expenditure on:							
Charitable activities	7	(2,594,657)	(3,533)	(2,598,190)	(2,506,388)	(17,983)	(2,524,371)
Total Expenditure		(2,594,657)	(3,533)	(2,598,190)	(2,506,388)	(17,983)	(2,524,371)
Net income/(expenditure)		382,088	(2,861)	379,227	317,329	(13,669)	303,660
Reconciliation of funds							
Total funds brought forward		5,741,883	2,861	5,744,744	5,424,554	16,530	5,441,084
Total funds carried forward	19	6,123,971	-	6,123,971	5,741,883	2,861	5,744,744

All of the charitable company's income and expenditure derive from continuing operations during the above two periods.

Marchant-Holliday School Limited

(Registration number: 00618973)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	3,388,403	3,376,267
Investments	13	1,000,000	1,000,000
		4,388,403	4,376,267
Current assets			
Stocks	14	1,654	863
Debtors	15	88,728	335,715
Cash at bank and in hand		1,792,623	1,106,815
		1,883,005	1,443,393
Creditors: Amounts falling due within one year	16	(147,437)	(74,916)
Net current assets		1,735,568	1,368,477
Net assets		6,123,971	5,744,744
Funds of the charitable company:			
Restricted funds		-	2,861
Unrestricted income funds			
Unrestricted funds		6,123,971	5,741,883
Total funds	19	6,123,971	5,744,744

The financial statements on pages 12 to 26 were approved by the trustees, and authorised for issue on 8 Dec 2021 and signed on their behalf by:

.....
Mrs J Scholes
Trustee

Marchant-Holliday School Limited

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net income		379,227	303,660
Adjustments to cash flows from non-cash items			
Depreciation		151,639	158,085
Investment income	5	(9,010)	(14,321)
		521,856	447,424
Working capital adjustments			
Increase in stocks	14	(791)	(248)
Decrease/(increase) in debtors	15	246,987	(300,475)
Increase/(decrease) in creditors	16	48,037	(44,198)
Increase in deferred income		24,484	-
Net cash flows from operating activities		840,573	102,503
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(163,775)	(180,677)
Cash flows from financing activities			
Investment income		9,010	14,321
Net increase/(decrease) in cash and cash equivalents		685,808	(63,853)
Cash and cash equivalents at 1 April		1,106,815	1,170,668
Cash and cash equivalents at 31 March		1,792,623	1,106,815

All of the cash flows are derived from continuing operations during the above two periods.

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Company information

The company is a registered charity and a company limited by guarantee without share capital incorporated in England and Wales. The guarantors are the members of the charity to the extent of £1 each.

The address of its registered office and principal place of business is:

North Cheriton
Templecombe
Somerset
BA8 0AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation
Marchant-Holliday School Limited 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 notes.

Going concern
In the light of the ongoing Covid-19 pandemic, the trustees have given consideration to the impact of the coronavirus on the operations and financial position of the school, as well as upon its pupils and their families. As noted in the Trustees' Report, the school has liaised, and continues to liaise, closely with the DfE and other professional bodies, such that the school has remained open since the start of the pandemic in March 2020 and relevant funding has continued from referring local authorities.

Whilst recognising that there can be no certainty, the trustees are satisfied that the pandemic does not present a significant risk to the operations and financial performance of the company at the present time, and that the going concern basis of preparation remains appropriate.

Income and endowments
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 the income receivable can be measured reliably.

School fee income is recognised in the period to which it relates.

Investment income is recognised in the period in which it is earned on a receivable basis.

Income received in advance is shown within deferred income and released in the period to which it relates.

Expenditure
Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation
The charitable company 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 charitable company 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.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are capitalised where the cost exceeds £500.

Depreciation
Depreciation is provided on tangible fixed assets, except for land, so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	15 - 50 years straight line
Fixtures and fittings	3 - 7 years straight line
Motor vehicles	25% reducing balance
Computer equipment	3 years straight line

Fixed asset investments
Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and net realisable value, being estimated selling price less costs to sell, after due regard for obsolete and slow moving stocks.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charitable company.

Unrestricted designated funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme and the assets are held separately from those of the charity. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate. Further details are provided in Note 17.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments in income bonds; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Except for investments in income bonds, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Investments in income bonds are measured initially at market value, which is normally the transaction price. Subsequent to initial recognition, investments are measured at market value, with changes recognised in the Statement of Financial Activities.

3 Income from donations and legacies

	Restricted funds £	Total 2021 £	Total 2020 £
Donations	592	592	1,674
	592	592	1,674

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
School fees	2,965,330	-	2,965,330	2,808,518
School meals	204	-	204	678
Pupil premium	-	80	80	2,640
	2,965,534	80	2,965,614	2,811,836

Income from charitable activities in the prior year comprise unrestricted income of £2,809,196 (in respect of school fees and school meals) and restricted income of £2,640 (in respect of pupil premium).

5 Investment income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Interest receivable on bank deposits	665	665	2,789
Other investment income	8,345	8,345	11,532
	9,010	9,010	14,321

6 Other income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Other income	2,201	2,201	200

7 Expenditure on charitable activities

	Activity undertaken directly	Activity support costs	Total 2021	Total 2020
	£	£	£	£
Costs of running school	2,472,622	125,568	2,598,190	2,524,371

8 Analysis of support costs

Support costs allocated to charitable activities

	Governance costs	Administration costs	Total 2021	Total 2020
	£	£	£	£
Costs of running school	27,228	98,340	125,568	144,385

9 Net income/expenditure

Net income for the year includes:

	2021	2020
	£	£
Depreciation of fixed assets	151,639	158,085
Auditors' remuneration	7,770	7,390
Auditors' remuneration for non-audit services	980	950

10 Trustees remuneration and expenses

During the year the charitable company made the following transactions with trustees:

Expenses of £7 were reimbursed to one trustee (2020: £nil).

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or previous year.

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Wages and salaries	1,628,782	1,573,113
Social security costs	145,811	138,458
Pension costs	201,356	184,787
	1,975,949	1,896,358

The monthly average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2021 No	2020 No
Teaching staff	12	11
Care staff	17	19
Teaching assistants	17	19
Domestic staff	13	11
Office staff	3	4
	62	64

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£60,001 - £70,000	2	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

The total employee benefits of the key management personnel of the charitable company were £383,452 (2020 - £360,616).

12 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2020	4,091,008	319,134	155,606	111,726	4,677,474
Additions	82,642	49,840	17,619	13,674	163,775
At 31 March 2021	4,173,650	368,974	173,225	125,400	4,841,249
Depreciation					
At 1 April 2020	873,702	266,847	73,367	87,291	1,301,207
Charge for the year	89,266	23,241	22,139	16,993	151,639
At 31 March 2021	962,968	290,088	95,506	104,284	1,452,846
Net book value					
At 31 March 2021	3,210,682	78,886	77,719	21,116	3,388,403
At 31 March 2020	3,217,306	52,287	82,239	24,435	3,376,267

13 Fixed asset investments

	2021 £	2020 £
Investment in income bonds	1,000,000	1,000,000

14 Stock

	2021 £	2020 £
Stocks	1,654	863

15 Debtors

	2021 £	2020 £
Trade debtors	43,334	290,010
Other debtors	-	26
Prepayments and accrued income	45,394	45,679
	88,728	335,715

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	49,410	38,535
Other taxation and social security	59,220	11,171
Other creditors	2,161	959
Accruals	12,162	24,251
Deferred income	24,484	-
	147,437	74,916

17 Pension schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charitable company to the scheme and amounted to £201,356 (2020 - £184,787).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the college has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (the Department in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

18 Charitable company status

The charitable company is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of liquidation.

19 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General				
General fund	5,741,883	2,976,745	(2,594,657)	6,123,971
Restricted funds				
School fund	221	592	(813)	-
Pupil premium	2,640	80	(2,720)	-
Total restricted funds	2,861	672	(3,533)	-
Total funds	5,744,744	2,977,417	(2,598,190)	6,123,971

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
General					
General fund	5,390,119	2,823,717	(2,506,388)	34,435	5,741,883
Designated					
Building reserve	34,435	-	-	(34,435)	-
Total unrestricted funds	5,424,554	2,823,717	(2,506,388)	-	5,741,883
Restricted funds					
School fund	2,687	1,674	(4,140)	-	221
Pupil premium	13,843	2,640	(13,843)	-	2,640
Total restricted funds	16,530	4,314	(17,983)	-	2,861
Total funds	5,441,084	2,828,031	(2,524,371)	-	5,744,744

The specific purposes for which the funds are to be applied are as follows:

Restricted funds:

School funds are donations made specifically for the benefit of the boys, and the funds are utilised to provide items for the benefit of the boys. During the year, an amount was spent to purchase christmas presents for all of the boys and to fund a token shop to reward the boys for good behaviour. The boys earn tokens for good behaviour and can then spend them on a Friday at the shop. Funds are typically utilised on an ad-hoc basis over the period each pupil is enrolled in the School.

Pupil premium funds are received to provide additional support for eligible pupils. The funds are used to provide additional learning resources and one-to-one education and emotional support for disadvantaged children over the period each relevant pupil is enrolled at the School. In some cases this may not be possible (notably where local authority systems delay payment of the sums due) and the balance may remain outstanding when the pupil leaves. In such circumstances, arrangements are made whenever possible to transfer the funds to the successor school in order that the young person continues to receive benefit from the allocation made.

20 Analysis of net assets between funds

	Unrestricted funds £	Total funds at 31 March 2021 £
Tangible fixed assets	3,388,403	3,388,403
Fixed asset investments	1,000,000	1,000,000
Current assets	1,883,005	1,883,005
Current liabilities	(147,437)	(147,437)
Total net assets	6,123,971	6,123,971

	Unrestricted funds £	Restricted funds £	Total funds at 31 March 2020 £
Tangible fixed assets	3,376,267	-	3,376,267
Fixed asset investments	1,000,000	-	1,000,000
Current assets	1,440,532	2,861	1,443,393
Current liabilities	(74,916)	-	(74,916)
Total net assets	5,741,883	2,861	5,744,744

21 Related party transactions

There were no related party transactions in the year (2020 - None).

MARCHANT-HOLLIDAY SCHOOL LIMITED

England & Wales - Charity number 310218

Accounts

Company registration number: 00618973
Charitable company registration number: 310218

Marchant-Holliday School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2020

Marchant-Holliday School Limited

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Marchant-Holliday School Limited

Trustees Report

The Board of Governors has pleasure in submitting its Annual Report together with the audited financial statements for the charity for the year ended 31 March 2020. The financial statements have been prepared in accordance with current statutory requirements.

Objectives and activities

Objects and aims

The school is an independent, residential special school, approved by the Department for Education (DfE) for boys aged five to thirteen who present with Social, Emotional and Mental Health (SEMH) needs, including aspects of autistic spectrum disorder and other conditions. The school receives referrals from local authorities throughout the South West of England for both day and boarding placements.

The school sits in lovely grounds in a rural area of South Somerset on the border of Dorset. The nearest train stations are Templecombe and Castle Cary. The school is a 5 minutes' drive from the A303.

From its inception, the school has aimed to provide the very best standard of education and care to help pupils to develop their full potential for social, emotional and intellectual growth. The original vision of Mr Marchant-Holliday was that the boys to the school should find a caring, tolerant and supportive environment that would help them recover their self-worth and self-confidence, as well as continuing to develop essential life skills.

Objectives, strategies and activities

A careful assessment of the needs of each pupil is carried out and then, when a placement is agreed, bespoke learning and behaviour plans are drawn-up based on the Education Health and Care Plan (EHCP). The school's ultimate aim is to make children feel safe and happy, and subsequently to achieve excellent academic progress, positive behaviour patterns and well developed interpersonal skills.

One of the ways the school seeks to achieve this is by offering a range of trips and visits. These can be as a class or year group linked to their curriculum based topic or residential activity trips. Whole school visits are also organised and this year included a visit to the Pantomime at The Octagon Theatre, a beach trip to Studland Bay and the Christingle Service at the village church.

At the end of their time at the Marchant-Holliday School, pupils either return to mainstream education or are placed in secondary specialist provision. We have been focusing on the transition process closely involving our families, local authorities and potential new schools to make any transitions as successful as possible.

Public benefit

The school offers a nurturing educational environment for children with SEMH needs. Typically, these children find coping in a mainstream class difficult and the Marchant-Holliday School is able to offer a high teacher-to-pupil ratio with structures and systems which help support the needs of each child individually. All pupils arrive at the Marchant-Holliday School from local authority provision where their SEMH needs will have had an adverse effect on both their performance and that of their peers. The education and care provided at the Marchant-Holliday School is tailored to the needs of each pupil. The school offers public benefit by reducing the impact on local authority provision for all children with SEMH needs and seeks to enable the children to progress in ways that have proved difficult in a mainstream setting. This in turn better equips them with the skills to be happy, independent children and contribute to society as they grow up. In addition, the support for the child often results in an improved home environment benefitting the whole family.

Marchant-Holliday School Limited

Trustees Report

The Governors confirm they have complied with the section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

During the 2019/20 year, senior members of staff have visited several local schools at their request to provide advice and discuss behaviour needs/strategies to support individual pupils. In certain instances, we have also been able to provide staff training and advice on the transition process for pupils with Education, Health and Care Plans. The school has forged a link with another special school in Yeovil and have indicated a willingness to be part of their Outreach initiative.

In a few instances, the School has provided emergency respite boarding care, at no additional cost to the authority, for short periods of time to support pupils and their families. This is something which supports the school's values and ethos.

The school has initiated a Parent/Carer forum with meetings due to take place in school once each term (6 times a year). This is coordinated by the Head of Care and delivered by a member of school staff. The first meeting was scheduled for March and had received good interest from our parent/carers. Unfortunately, due to Covid-19, the meetings have had to be put on hold.

Achievements and performance

Review of charitable activities undertaken

The school continues to function as a key provider of education and care to boys with SEMH needs throughout the South West of England. We have good relationships with the relevant local authorities and enjoy a good reputation in our field of work. Numbers of pupils have remained buoyant during the period under review with numbers fluctuating between 44 and 50 pupils, with a good balance between weekly boarding and day provision. As always, the continuing health and prosperity of the school depends on the ongoing flow of referrals from local authorities.

Key non-financial performance indicators

The Ofsted Joint Education & Care Inspection carried out during January 2020 resulted in a 'Good' judgement in all areas. The inspection was carried out under the new Ofsted Common Inspection Framework (2019). The Inspection Team praised the work of the school and noted that, "pupils thrive at this school". The school's rigorous self-evaluation ensures that both educational and care standards are maintained and developed further. Internal benchmarking and assessment show continued progress in both academic and social attainment across all age groups.

The Trustees believe that the school continues to deliver well in terms of achievement of its charitable objectives. The past 12 months has seen a continued growth in pupil numbers and the School has been successful in amending its registration with the Department for Education to accommodate up to 56 pupils. The school continues to enjoy a high level of pupil referrals. The age profile of children referred to the school continues to include younger pupils and this provides greater opportunities to influence behaviour patterns at an earlier stage. During the year, 40% of pupils leaving the school returned to mainstream education with the remainder being placed in specialist secondary provisions.

Marchant-Holliday School Limited

Trustees Report

Developments

During the 2019/20 year there has been investment in improving the fabric of some of the buildings to create additional classroom space as well as space for in-house training and professional development. A more comprehensive training and professional development plan has been put in place which includes both internal and external specialists.

A new reception area has been created which provides a welcoming visitor waiting area with its displays of whole school artwork projects. It also allows for a more secure entry and exit point to the school. Clinkards building has been redeveloped to provide the staff training area as well as an additional office, with the upstairs being transformed from a storage area to a comfortable staff room and care office.

These works have freed up other areas which are now able to be utilised as part of our Extended Classroom provision which has been developed over the year. This has enabled the school to better support the higher needs of our more complex pupils. The extended classroom provision has been supported by the creation of a staffing model that enables us to identify individual needs and intervene more effectively.

The school holds whole school art days with a local artist who comes into school and works with each class to produce a piece of whole school art. These days have been very successful.

Plans for future periods

The school aims to develop its outdoor learning provision both in terms of staffing and resources to further enrich the 24 hour curriculum offer for pupils. The school hopes to further improve the transition process in liaising more effectively with families and local authorities. It is also exploring opportunities to further increase its capacity for pupil numbers.

The school now also has detailed up-to-date site plans of both premises and grounds to support ongoing discussions regarding larger scale site redevelopment.

Financial review

The financial results for the year ended 31 March 2020 are set out on pages 11 to 26 and are summarised here.

The schools' total income in 2019/20 was £2,828,031 (2018/19 - £2,716,127). We have continued to closely manage our expenditure and deliver value for money. Our total expenditure in 2019/20 was £2,524,371 (2018/19 - £2,316,808).

We have ended the financial year with a surplus of income over expenditure of £303,660 (2019 - £399,319).

Details of movements in fixed assets are show in note 12. Fixed assets relate to land and buildings, fixtures and fittings, motor vehicles and computer equipment.

Policy on reserves

The Board reviews the levels of reserves annually. The school needs to maintain enough unrestricted funds to cover variations in pupil numbers during the year whilst still meeting expenditure commitments.

At 31 March 2020, total reserves stood at £5,744,744 (2019 - £5,441,084). Of this figure, net current assets are £1,368,477 (2019 - £1,087,409) and cash reserves are £1,106,815 (2019 - £1,170,668).

Trustees Report

'Free reserves', being unrestricted funds less tangible fixed assets, are £2,365,616 (2019 - £2,070,879). The school has reviewed its reserves policy in light of its new Strategic Plan. The school aims to provide for a wind-down reserve of £309,000 plus six-month's operating costs of £1,487,000; free reserves are thus ahead of policy. The school is currently planning capital projects of nearly £1,850,000 to fund future strategic aims.

Of the total reserves, £2,861 (2019 - £16,530) is restricted reserves which relates primarily to Pupil Premium. This fund can be carried forward year-on-year and is and used in the most appropriate way to benefit pupils to whom the fund applies.

Principal funding sources

99% of the school's income (2019 - 99%) is derived from fees charged to the local authorities for pupil placements.

Investment policy and objectives

The Board adopts what it considers to be a conservative investment policy. It will take professional advice before implementing any changes to its investment portfolio. The school retains a proportion of its funds (typically £1 million) in long-term, low risk income-generating investments, with the aim of generating additional income for the school. The performance of the investments is regularly monitored by the Governors.

Structure, governance and management

Nature of governing document

The school was incorporated on 13 June 1959 as a company limited by guarantee and not having share capital (registered in England and Wales, number 00618973). The governing document is the Memorandum of Association. The school cannot pay dividends and must utilise all its funds to further its charitable objectives.

Recruitment and appointment of trustees

Following a period of turbulence with the Governing Board, the school commissioned a review of Governance by the National Governance Association. This review led to the school revisiting the Board's aims and objectives and Code of Conduct. The school currently has a Governing Board comprising five members. The school continues to seek to recruit individuals with skills that will be of value to the governing body. Standard appointment procedures are adopted in the same way that they are applied to paid staff.

Induction and training of trustees

All new Trustees follow a pre-determined induction programme which is based on an adapted form of used for employees.

Arrangements for setting key management personnel remuneration

The school works within framework documents referred to in staff contracts: For teachers: The Teachers' Pay and Conditions Document and statutory regulations affecting the employment and conduct of teaching staff. For all other employees: The National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service. An annual salary review is overseen by the Chair of Governors.

Organisational structure

The Board of Governors take decisions on all aspects of the school's activities. They meet at least four times a year.

Trustees Report

Relationships with related parties

Other than the Trustees, the school has not worked with any related parties during the year. None of the Trustees received remuneration or other benefits from their work with the school.

Major risks and management of those risks

The key identified risk to the continued prosperity of the school has always been a decline in pupil referrals occasioned by local authority changes of policy or other external factors. Management of this is pro-active in terms of ensuring that our provision remains of high quality (as evidenced by Ofsted), that the fee structure is appropriate and that referrers continue to have confidence in provision for the pupils. Maintenance of good working relationships with local authority commissioning officers and SEND Leaders is a key priority within this process. As stated above, reserve policies continue to cater for continuation of the school's business on reduced numbers for a period of 6 months or more should that need ever arise.

Covid-19

As a specialist residential provision for pupils with SEMH, with all our pupils deemed vulnerable, the school has been required by the DfE to remain open since the first national lock-down in March 2020. In doing this the school has liaised closely with the DfE, Public Health England, the National Association of Special Schools, respective local authorities and the Unions to ensure adequate and safe provision for all members of the school community. With the school remaining open, there is no current threat to funding from referring local authorities. The school has amended policies and procedures to fall into line with current requirements and recommended best practice, and ensured that risk assessments, hygiene protocols, daily routines and information to staff, pupils and families has been updated and disseminated regularly. Where pupils have been unable to attend due to Covid-related circumstances, enhanced Health and Safety and safeguarding procedures have been put in place. The school has a 'remote learning' platform in place, coordinated by the school's Curriculum and Learning Lead. For pupils eligible for free school meals, food boxes have been provided during all school holiday periods.

The school will continue to respond to the national picture in working with professional bodies and colleagues in keeping the school open and functioning effectively.

Marchant-Holliday School Limited

Trustees Report

Reference and Administrative Details

Trustees	Mr S Murcer (resigned 25 September 2019) Mr S W T S Jaggard Major M R H Liddicoat (resigned 8 November 2019) Mrs E L Ramsay (resigned 11 November 2019) Mrs L J Prior (resigned 14 October 2019) Mr N L Short (resigned 11 August 2019) Mrs B A Tupper (resigned 31 August 2019) Mrs J Scholes Mrs W Tolson Mr A Hickling (appointed 16 May 2019 and resigned 21 November 2019) Mrs C M G Finlay (appointed 21 May 2020 and resigned 21 September 2021) Revd Dr A C Creedon (appointed 21 May 2020) Miss C M Savage (appointed 21 May 2020)
Secretary	Mrs D J Jones
Principal Office	North Cheriton Templecombe Somerset BA8 0AH The charitable company is incorporated in England and Wales.
Company Registration Number	00618973
Charitable company Registration Number	310218
Auditor	PKF Francis Clark Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Marchant-Holliday School Limited

Trustees Report

The annual report was approved by the trustees of the charitable company on 3/3/21 and signed on its behalf by:

.....

Mrs J Scholes
Trustee

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Marchant-Holliday School Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Opinion

We have audited the financial statements of Marchant-Holliday School Limited (the 'charitable company') for the year ended 31 March 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

Other Information

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

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

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 8, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Marchant-Holliday School Limited

Independent Auditor's Report to the Members of Marchant-Holliday School Limited

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 trustees, 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 trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark

Martin Lock BSc FCA (Senior Statutory Auditor)
For and on behalf of PKF Francis Clark, Statutory Auditor

Ground Floor
Blackbrook Gate 1
Blackbrook Business Park
Taunton
Somerset
TA1 2PX

Date: 20th May 2021

Marchant-Holliday School Limited

Statement of Financial Activities

Year Ended 31 March 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:							
Donations and legacies	3	-	1,674	1,674	165	1,036	1,201
Charitable activities	4	2,809,196	2,640	2,811,836	2,686,236	15,234	2,701,470
Investment income	5	14,321	-	14,321	12,728	-	12,728
Other income	6	200	-	200	728	-	728
Total Income		2,823,717	4,314	2,828,031	2,699,857	16,270	2,716,127
Expenditure on:							
Charitable activities	7	(2,506,388)	(17,983)	(2,524,371)	(2,291,868)	(24,940)	(2,316,808)
Total Expenditure		(2,506,388)	(17,983)	(2,524,371)	(2,291,868)	(24,940)	(2,316,808)
Net income/(expenditure)		317,329	(13,669)	303,660	407,989	(8,670)	399,319
Transfers between funds		-	-	-	(1,794)	1,794	-
Reconciliation of funds							
Total funds brought forward		5,424,554	16,530	5,441,084	5,018,359	23,406	5,041,765
Total funds carried forward	19	5,741,883	2,861	5,744,744	5,424,554	16,530	5,441,084

All of the charitable company's activities derive from continuing operations during the above two periods.

Marchant-Holliday School Limited

(Registration number: 00618973)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	3,376,267	3,353,675
Investments	13	1,000,000	1,000,000
		4,376,267	4,353,675
Current assets			
Stocks	14	863	615
Debtors	15	335,715	35,240
Cash at bank and in hand		1,106,815	1,170,668
		1,443,393	1,206,523
Creditors: Amounts falling due within one year	16	(74,916)	(119,114)
Net current assets		1,368,477	1,087,409
Net assets		5,744,744	5,441,084
Funds of the charitable company:			
Restricted funds		2,861	16,530
Unrestricted income funds			
Unrestricted funds		5,741,883	5,424,554
Total funds	19	5,744,744	5,441,084

The financial statements on pages 12 to 27 were approved by the trustees, and authorised for issue on 3.3.21 and signed on their behalf by:

Mrs J Scholes
Trustee

Marchant-Holliday School Limited

Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net income		303,660	399,319
Adjustments to cash flows from non-cash items			
Depreciation		158,085	163,398
Investment income	5	(14,321)	(12,728)
		447,424	549,989
Working capital adjustments			
(Increase)/decrease in stocks	14	(248)	385
Increase in debtors	15	(300,475)	(7,391)
Decrease in creditors	16	(44,198)	(11,939)
Net cash flows from operating activities		102,503	531,044
Cash flows from investing activities			
Purchase of tangible fixed assets	12	(180,677)	(327,712)
Cash flows from financing activities			
Investment income		14,321	12,728
Net (decrease)/increase in cash and cash equivalents		(63,853)	216,060
Cash and cash equivalents at 1 April		1,170,668	954,608
Cash and cash equivalents at 31 March		1,106,815	1,170,668

All of the cash flows are derived from continuing operations during the above two periods.

Marchant-Holliday School Limited

Notes to the Financial Statements for the Year Ended 31 March 2020

1 Company information

The company is a registered charity and a company limited by guarantee without share capital incorporated in England and Wales. The guarantors are the members of the charity to the extent of £1 each.

The address of its registered office and principal place of business is:

North Cheriton
Templecombe
Somerset
BA8 0AH

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. There are no material departures from FRS 102.

Basis of preparation
Marchant-Holliday School Limited 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 notes.

Going concern
In the light of the ongoing Covid-19 pandemic, the trustees have given consideration to the impact of the coronavirus on the operations and financial position of the school, as well as upon its pupils and their families. As noted in the Trustees' Report, the school has liaised, and continues to liaise, closely with the DfE and other professional bodies, such that the school has remained open since the start of the pandemic in March 2020 and relevant funding has continued from referring local authorities.

Whilst recognising that there can be no certainty, the trustees are satisfied that the pandemic does not present a significant risk to the operations and financial performance of the company at the present time, and that the going concern basis of preparation remains appropriate.

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

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

The key judgement that has a significant impact on the financial statements is in respect of going concern, as described above.

The key estimates that have a significant effect on the amounts recognised in the financial statements are described below:

Buildings are carried at cost, less accumulated depreciation and any subsequent accumulated impairment loss. This requires an estimate of the depreciation rates used as well as assessment of the ongoing economic contribution and physical condition of the assets as to whether an indicator of impairment has occurred The carrying amount is £3,217,306 (2019 - £3,189,389).

Income and endowments
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 the income receivable can be measured reliably.

School fee income is recognised in the period for which it is received.

Investment income is recognised in the period in which it is earned on a receivable basis.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation
The charitable company 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 charitable company 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.

Tangible fixed assets
Tangible fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Assets are capitalised where the cost exceeds £500.

Depreciation
Depreciation is provided on tangible fixed assets, except for land, so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	15 - 50 years straight line
Fixtures and fittings	3 - 7 years straight line
Motor vehicles	25% reducing balance
Computer equipment	3 years straight line

Fixed asset investments
Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and net realisable value, being estimated selling price less costs to sell, after due regard for obsolete and slow moving stocks.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charitable company.

Unrestricted designated funds are resources set aside for specific purposes at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

The Teachers' Pension Scheme (TPS) is a defined benefit scheme and the assets are held separately from those of the charity. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognized in the period to which they relate. Further details are provided in Note 17.

Financial instruments

Classification

The charity holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Investments in income bonds; and
- Cash and bank balances.

Recognition and measurement

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the charity's obligations are discharged, expire or are cancelled.

Except for investments in income bonds, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Investments in income bonds are measured initially at market value, which is normally the transaction price. Subsequent to initial recognition, investments are measured at market value, with changes recognised in the Statement of Financial Activities.

3 Income from donations and legacies

	Restricted funds £	Total 2020 £	Total 2019 £
Donations	1,674	1,674	1,201
	1,674	1,674	1,201

Donations in the prior year comprise unrestricted donations of £165 and restricted donations of £1,036.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
School fees	2,808,518	-	2,808,518	2,685,528
School meals	678	-	678	708
Pupil premium	-	2,640	2,640	9,046
1:1 teaching assistant	-	-	-	6,188
	2,809,196	2,640	2,811,836	2,701,470

Income from charitable activities in the prior year comprise unrestricted income of £2,686,236 (in respect of school fees and school meals) and restricted income of £15,234 (in respect of pupil premium and 1:1 teaching assistance).

5 Investment income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Interest receivable on bank deposits	2,789	2,789	2,091
Other investment income	11,532	11,532	10,637
	14,321	14,321	12,728

6 Other income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Other income	200	200	728

7 Expenditure on charitable activities

	Activity undertaken directly	Activity support costs	Total 2020	Total 2019
	£	£	£	£
Costs of running school	2,379,986	144,385	2,524,371	2,316,808

Expenditure on charitable activities in the prior year comprises £2,178,317 of activities undertaken directly and £138,491 of support costs.

8 Analysis of support costs

Support costs allocated to charitable activities

	Governance costs	Administration costs	Total 2020	Total 2019
	£	£	£	£
Costs of running school	51,083	93,302	144,385	138,491

9 Net income/expenditure

Net income for the year includes:

	2020	2019
	£	£
Depreciation of fixed assets	158,085	163,398
Auditors' remuneration	7,390	7,200
Auditors' remuneration for non-audit services	950	916

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the current or previous year.

No trustees have received any reimbursed expenses from the charity during the current or previous year.

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Wages and salaries	1,573,113	1,449,331
Social security costs	138,458	124,966
Pension costs	184,787	158,004
	1,896,358	1,732,301

The monthly average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2020 No	2019 No
Teaching staff	11	12
Care staff	19	18
Teaching assistants	19	15
Domestic staff	11	13
Office staff	4	4
	64	62

The number of employees whose emoluments fell within the following bands was:

	2020 No	2019 No
£60,001 - £70,000	2	1
£80,001 - £90,000	1	1

The total employee benefits of the key management personnel of the charitable company were £360,616 (2019 - £340,315).

12 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2019	3,975,828	285,278	136,606	99,085	4,496,797
Additions	115,180	33,856	19,000	12,641	180,677
At 31 March 2020	4,091,008	319,134	155,606	111,726	4,677,474
Depreciation					
At 1 April 2019	786,439	232,995	50,703	72,985	1,143,122
Charge for the year	87,263	33,852	22,664	14,306	158,085
At 31 March 2020	873,702	266,847	73,367	87,291	1,301,207
Net book value					
At 31 March 2020	3,217,306	52,287	82,239	24,435	3,376,267
At 31 March 2019	3,189,389	52,283	85,903	26,100	3,353,675

13 Fixed asset investments

	2020 £	2019 £
Investment in income bonds	1,000,000	1,000,000

14 Stock

	2020 £	2019 £
Stocks	863	615

15 Debtors

	2020 £	2019 £
Trade debtors	290,010	-
Other debtors	26	200
Prepayments and accrued income	45,679	35,040
	335,715	35,240

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	38,535	24,965
Other taxation and social security	11,171	42,363
Other creditors	959	1,439
Accruals	24,251	50,347
	74,916	119,114

17 Pension schemes

Defined contribution pension scheme

The charitable company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charitable company to the scheme and amounted to £184,787 (2019 - £158,004).

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teacher's Pension Regulation 2010 and, from 1 April 2014, by the Teachers' Pensions Regulation 2014. Membership is automatic for full-time teachers and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract. Teachers are able to opt out of the TPS.

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) Directors 2014 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. The valuation report was published by the Department for Education in April 2019.

The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for the service to the effective date of £218 billion, and notional assets (estimates future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

During the year the employer contribution rate was 16.48%.

As a result of the valuation, new employers contributions rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs for state schools during the 2019/20 academic year.

A copy of the valuation report and supporting documentation is on the Teacher's Pension website.

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

18 Charitable company status

The charitable company is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charitable company in the event of liquidation.

19 Funds

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
Unrestricted funds					
General fund	5,390,119	2,823,717	(2,506,388)	34,435	5,741,883
Designated					
Building reserve	34,435	-	-	(34,435)	-
Total Unrestricted funds	5,424,554	2,823,717	(2,506,388)	-	5,741,883
Restricted funds					
School fund	2,687	1,674	(4,140)	-	221
Pupil premium	13,843	2,640	(13,843)	-	2,640
Total restricted funds	16,530	4,314	(17,983)	-	2,861
Total funds	5,441,084	2,828,031	(2,524,371)	-	5,744,744

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2019 £
Unrestricted funds					
Unrestricted funds					
General fund	4,980,276	2,699,857	(2,291,868)	1,854	5,390,119
Designated					
Building reserve	38,083	-	-	(3,648)	34,435
Total unrestricted funds	5,018,359	2,699,857	(2,291,868)	(1,794)	5,424,554
Restricted funds					
School fund	2,767	1,036	(1,116)	-	2,687
Pupil premium	20,639	9,046	(15,842)	-	13,843
1:1 Teaching assistant	-	6,188	(7,982)	1,794	-
Total restricted funds	23,406	16,270	(24,940)	1,794	16,530
Total funds	5,041,765	2,716,127	(2,316,808)	-	5,441,084

The specific purposes for which the funds are to be applied are as follows:

Designated funds:

£34,435 was previously designated as retention payments in respect of building additions from previous years. The retention was released during the year as the building work was complete.

Restricted funds:

School funds are donations made specifically for the benefit of the boys, and the funds are utilised to provide items for the benefit of the boys. During the year, an amount was spent to purchase christmas presents for all of the boys and to fund a token shop to reward the boys for good behaviour. The boys earn tokens for good behaviour and can then spend them on a Friday at the shop. Funds are typically utilised on an ad-hoc basis over the period each pupil is enrolled in the School.

Pupil premium funds are received to provide additional support for eligible pupils. The funds are used to provide additional learning resources and one-to-one education and emotional support for disadvantaged children over the period each relevant pupil is enrolled at the School. In some cases this may not be possible (notably where local authority systems delay payment of the sums due) and the balance may remain outstanding when the pupil leaves. In such circumstances, arrangements are made whenever possible to transfer the funds to the successor school in order that the young person continues to receive benefit from the allocation made.

In the current financial year, 1:1 teaching assistant funds were agreed to be funded by the relevant local authority in order to provide additional support to a pupil who required one to one education.

20 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds at 31 March 2020 £
Tangible fixed assets	3,376,267	-	3,376,267
Fixed asset investments	1,000,000	-	1,000,000
Current assets	1,440,532	2,861	1,443,393
Current liabilities	(74,916)	-	(74,916)
Total net assets	5,741,883	2,861	5,744,744

	Unrestricted funds £	Restricted funds £	Total funds at 31 March 2019 £
Tangible fixed assets	3,353,675	-	3,353,675
Fixed asset investments	1,000,000	-	1,000,000
Current assets	1,189,993	16,530	1,206,523
Current liabilities	(119,114)	-	(119,114)
Total net assets	5,424,554	16,530	5,441,084

21 Analysis of net funds

	At 1 April 2019 £	Cash flow £	At 31 March 2020 £
Cash at bank and in hand	1,170,668	(63,853)	1,106,815
Net funds	1,170,668	(63,853)	1,106,815

	At 1 April 2018 £	Cash flow £	At 31 March 2019 £
Cash at bank and in hand	954,608	216,060	1,170,668
Net funds	954,608	216,060	1,170,668

22 Related party transactions

There were no related party transactions in the year (2019 - None).